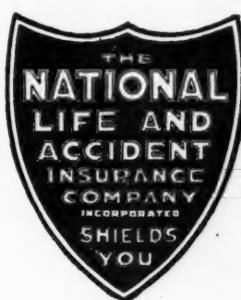


The NATIONAL UNDERWRITER

Life Insurance Edition

FINANCIAL STATEMENT



DECEMBER 31,
1946

ASSETS

Bonds Owned	\$ 127,925,252.39
Real Estate Loans	58,101,927.30
Stocks Owned	8,266,266.18
Cash in Banks and Offices	6,646,712.17
Real Estate Owned	1,977,121.91
Net Unpaid and Deferred Premiums	4,952,981.18
Policy Loans	6,048,119.51
Collateral Loans	186,860.00
Interest Due and Accrued	900,049.87
TOTAL ASSETS	\$ 215,005,290.51

LIABILITIES

Legal Reserve, Life and Annuity Contracts	\$ 183,021,009.00
Reserve, Disability Policies	2,187,898.00
Reserve for Epidemics and Mortality Fluctuations	2,500,000.00
Investment Fluctuation Fund	2,500,000.00
Gross Premiums and Interest Paid in Advance	1,844,450.75
Taxes Accrued But Not Due	1,495,368.30
Agents' Bond Deposits	774,147.38
Policy Claims in Process of Adjustment or Payment	810,794.85
Commissions Accrued to Agents, and All Other Items	1,015,277.73
 Liabilities Other Than Capital and Surplus	 \$ 196,148,946.01
Capital and Surplus	18,856,344.50
TOTAL LIABILITIES	\$ 215,005,290.51

Gain in Life Insurance in Force During 1946 \$ 220,679,886.00
Total Life Insurance in Force Dec. 31, 1946 1,618,649,359.00

The NATIONAL LIFE AND ACCIDENT INSURANCE COMPANY

of Nashville, Tennessee

C. R. CLEMENTS, Chairman of the Board

EDWIN W. CRAIG, President

FRIDAY, FEBRUARY 28, 1947



**Does
advertising
really make
a difference?**



**Well, look at
the chart. POST
advertising
does!**

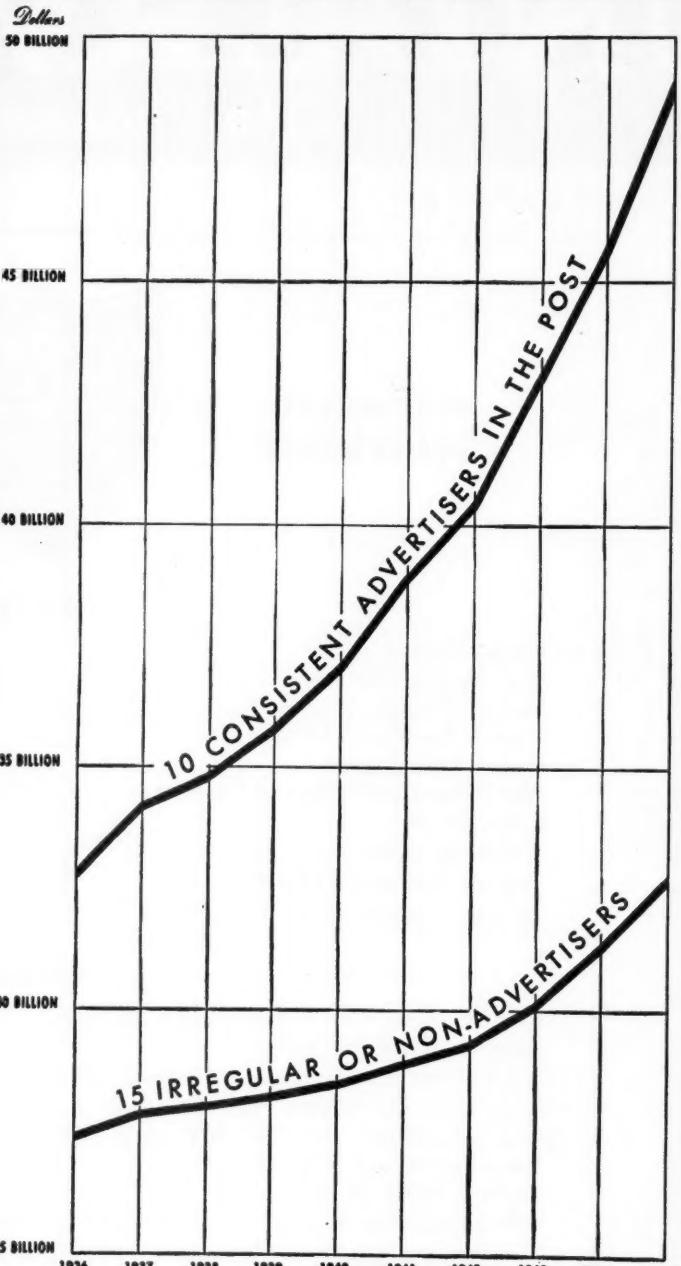
Take a look at what's happened in the past ten years to ten of the country's leading insurance companies that have consistently placed their advertising in The Saturday Evening Post.

Doesn't that top curve convince you that . . .

► Advertisements in the Post reach the best prospects—the people whose education and income are well above average.

► Advertisements in the Post get attention. People like to read ads in the Post—far more than in any other magazine.

GRAPH SHOWS THE GROWTH OF ORDINARY LIFE INSURANCE IN FORCE (IN BILLIONS OF DOLLARS) WITH LEADING LIFE INSURANCE COMPANIES DURING 1936 AND THROUGH 1945



For this ten-year period the growth of ordinary life insurance in force among the ten consistent Post insurance advertisers has been more than three times as great as that of the fifteen irregular or non-advertisers.



FEBRUARY 28, 1947

51st Year. No. 9

Eugene M. Thoré Is Named L.I.A. General Counsel

**Former Acacia Mutual
Executive Has Broad
Experience**

NEW YORK — Eugene M. Thoré, general counsel of Acacia Mutual Life, has been elected general counsel of Life Insurance Assn. of America. He will assume his new duties April 16.

Mr. Thoré has spent his entire business career in life insurance and has had a broad range of experience, covering not only the legal side of the business, but agency work as well.

A native of New York City, he was graduated from Lafayette College in 1925 and in that year joined the legal department of Acacia at Washington. At the same time, he entered Georgetown University law school, graduating in 1930. In that year he was appointed assistant counsel of Acacia. He was elected counsel in 1942 and general counsel in 1944.

Headed Claim Department

In addition to the general legal duties Mr. Thoré has served in several other home office capacities, first as head of the claim department, policy settlement and agents' service department. He has been especially active in agency and educational work in the field of estate planning, business insurance and taxation.

He originated and developed standard estate settlement agreements and he was active in public relations, sales and legislative work. He has frequently spoken before life underwriters' associations, C.L.U. groups, agency conventions and other groups.

Mr. Thoré was chairman of Acacia's policy revision committee and a member of the retirement committee. Admitted to practice before the courts of the District of Columbia in 1929, Mr. Thoré has also been admitted to practice before the U. S. Supreme Court. He has been active in Assn. of Life Insurance Counsel, Legal Section of American Life Convention, District of Columbia Life Insurance Trust Council, District of Columbia General Agents and Managers Assn., District of Columbia Life Underwriters Assn. and Washington Board of Trade.

Pennsylvania Department Calls Off Agents' Exams

HARRISBURG—All agents' examinations in Pennsylvania have been cancelled, effective Feb. 22, by Commissioner Malone, pending the issuance of a definition of "underwriting experience" by the insurance department.

The department said it had issued no licenses to new applicants since Jan. 2, when the Dauphin county court here enjoined the commissioner from doing so until a proper definition of "underwriting experience other than soliciting" was made.

Commissioner Malone said he cancelled the tests to hold down the backlog of pending applications. The examinations had been given regularly the first Saturday of each month in Philadelphia; the second Saturday in Johnstown, Allentown and Williamsport, the third Saturday in Pittsburgh and the fourth Saturday in Harrisburg, Erie and Scranton.

Douglas to St. James

Lewis W. Douglas, president of Mutual Life and one of the nation's most distinguished figures both in public and private life, has been appointed ambassador to Great Britain. The question has not been determined as to whether Mr. Douglas can take a leave of absence from Mutual Life or whether it will be necessary for him to retire from the presidency. The trustees of Mutual Life will refrain from taking any action in the matter until Mr. Douglas' appointment is confirmed by the Senate.

Mr. Douglas was mentioned several months ago as a possible president of the world bank. He has been president of Mutual Life since 1940 and has presided over the aggressive modernization of that company. He is believed to be a staunch friend of England.

Mr. Douglas during the war was chairman of war shipping board. He is an Amherst graduate and served in the Arizona legislature and then as Congressman from Arizona 1927-1933. During the next year he was director of the budget, then for three years was vice-president of American Cyanamid Co., and from 1938 to 1940 was principal of McGill University.

Modified Guertin Measure Passed By N. Y. Legislature

ALBANY—Both houses of the New York legislature have passed the New York modification of the Guertin bill. Chairman Mahoney of the senate insurance committee secured the speedy passage of the assembly bill, which was substituted in the senate for the companion measure which was reported out recently by the Mahoney committee.

The senate vote was 37 to 11, following a two-hour debate in which the only material opposition was offered by Senators Moritt and Freeman, both of New York City. Those who followed the debate said it was difficult to determine the exact ground for their opposition to the measure.

In view of Superintendent Dineen's backing, no trouble is looked for in obtaining Governor Dewey's signature to the bill.

House OK's Ohio Guertin Bill

COLUMBUS, O.—The Ohio house by a unanimous vote passed on Monday the Hunt bill embodying the Guertin act. No one appeared in opposition to the bill. G. W. Steinman, president of Midland Mutual; Claris Adams, president of Ohio State Life; W. A. Robinson, deputy superintendent of insurance, and Ray Dodds, vice-president and actuary of Ohio National, Cincinnati, spoke briefly in behalf of the measure. It was pointed out that Ohio companies would be placed at a disadvantage if the bill were not enacted in Ohio.

Insurance in force of Illinois Bankers was incorrectly stated in the Feb. 21 edition. The figure is \$116,942,361.



Lewis W. Douglas

Smaller Companies Chicago Conference Program Announced

The annual conference for the companies with \$150 million or under in force which are members of Life Agency Management Assn. will be held March 24-26 in Chicago. Ninety-four member companies are eligible to attend. Frank L. Barnes, vice president of Ohio State Life, is chairman and will preside at the opening session. The program includes:

March 24, Morning Session:

"A Look at the Present Situation," Lewis W. S. Chapman, director of company relations, of L.I.A.M.A.; "The Agency Executive's Job," James E. Schofield, director of agencies of North American Life & Accident.

Afternoon Session:

H. S. McConachie, vice president and superintendent of agencies of American Mutual Life, chairman; "The Cost Situation in Small Companies," E. J. Moorhead, actuary of L.I.A.M.A.; "Where Profit Lies," a movie film. H. J. Syphus, Salt Lake City general agency of Beneficial Life will be toastmaster at the dinner that evening.

March 25, Morning Session:

J. Harry Wood, executive vice-president Paul Revere Life, chairman; panel on "Persistency and Quality Business," Richard N. Ford, assistant director of publications L.I.A.M.A., chairman; panel on "New Manpower Plans," Mr. Wood, chairman.

Afternoon Session:

Joseph Dickman, vice-president Provident Life of North Dakota, chairman; "Training of Agents and Managers," Warren F. Howe, superintendent of agencies Ohio State Life; A. R. Jaqua, director life insurance marketing school, Southern Methodist University; James R. Adams, assistant director of schools L.I.A.M.A.; "Research and Common Sense," S. Rains Wallace, director of research L.I.A.M.A.

March 26, Morning Session:

M. Allen Anderson, vice-president, Republic National Life, chairman; general question and discussion period; "Marketing Problems and the Association," Charles J. Zimmerman, director of institutional relations L.I.A.M.A.; closing luncheon.

Chicago Assn. Polls All Others on 50-50 Amendment

The Chicago Association of Life Underwriters on behalf of the National association is polling the more than 500 local and state associations on whether they favor consideration of an amendment to the national by-laws to provide that the board of trustees should consist of equal numbers of soliciting agents and agency heads. The idea was advanced a year ago and, though no formal action was instituted at the Cleveland convention, it was discussed informally outside of the regular convention session. It is hoped that with proof of backing from this survey, the proposed amendment can go before the council at the Milwaukee mid-year meeting of N.A.L.U. P. B. Hobbs, national president, has endorsed the Chicago survey as a democratic process for finding out the wishes of the majority.

(CONTINUED ON PAGE 28)

Death Takes N. W. Mutual President at 70

**Heart Attack Ends
Renowned Career of
Michael J. Cleary**

The death of Michael J. Cleary, president of Northwestern Mutual Life, at his home at Milwaukee last Saturday morning was completely unexpected.

Mr. Cleary was on the point of leaving for his usual winter vacation in Arizona, but upon feeling ill last Thursday, summoned his physician and he was urged to have a check-up before going away and this was done. Before the diagnosis was completed, Mr. Cleary suffered a heart attack early Saturday morning and died. His age

was 70.

Funeral services were held Monday morning at St. Robert's Catholic Church with interment in Holy Cross cemetery. The home offices of Northwestern Mutual were closed Monday.

Mr. Cleary joined Northwestern Mutual in 1919 as vice-president and was elected president in 1932 succeeding the late William D. Van Dyke.

Democratic in Nature

Mr. Cleary was thoroughly democratic in nature as was evident from the large number of friends and business associates who addressed him as "Mike" or "Mickey." He was a man that radiated confidence and instilled confidence in others. His judgment was highly respected and he was a business administrator of the first rank.

Mr. Cleary was born on a farm in Lafayette county in southern Wisconsin and his farm experience undoubtedly gave him many reference points in his future activities. He attended Wisconsin Academy at Madison and entered University of Wisconsin in 1897. He transferred to the law school there in 1899 and got his law degree in June, 1901, by accelerating his studies.

He entered the practice of law at Blanchardville, Wis., and also engaged in the local insurance business in the agency of Chandler & Cleary. He acquired an interest in several banks and became their counsel.

Mr. Cleary entered public life as a member of the board of supervisors of Lafayette county and later became the chairman. In 1906 he was elected to the lower house of the Wisconsin legislature and immediately got an insight into insurance affairs because he was appointed to the insurance committee. Echoing the Armstrong investigation in New York, the Wisconsin legislature was engaged in a program of insurance reform and hearings were held over a period of several months. Mr. Cleary valiantly opposed many of the proposed measures. As a result of the program that was enacted, all but three of the large eastern companies withdrew from Wisconsin.

Mr. Cleary stated that his first great interest in life insurance was aroused at that time. He said he learned a

(CONTINUED ON PAGE 28)

Annual Statement Features

EQUITABLE SOCIETY

Equitable Society passed the \$10 billion dollar mark in life insurance in force during 1946, the year-end total being \$10,563,966,000. New sales amounted to \$1 billion 16 million.

The in force increase was \$1,391,526,000. Of the total \$6,069,564,000 was owned through individual policies and \$4,494,402,000 through group.

Benefit payments were \$287,017,000 of which 54% went to living policyholders.

Death payments were \$101,304,000; retirement income payments \$35,540,000; matured endowments, disability benefits and cash values \$38,797,000.

Group policy payments were \$56,080,000. A total of \$55,296,000 was paid in dividends.

Assets were \$4,192,528,129, a gain of \$343,089,346. Government bonds amounted to \$1,639,767,000 or 40% of investment holdings.

Earnings on investments aggregated \$149,865,000 which comprises \$110,474,000 investment income and \$39,391,000 net gain on investments. Net earnings after federal income tax was \$140,370,000.

President T. I. Parkinson said a slight strengthening in interest rates was noticed during the latter part of the year, leading to the hope for an improved return during the current year. "There is only a limited amount of funds available for long term investments and we in the life insurance business provide most of such funds," Mr. Parkinson pointed out. "Moreover, we believe that as Congress and the people become aware of the real effect on the future of our currency of the fiscal and banking policies and methods by which the low interest is being maintained, there will come a change in the extreme pressure for low rates which responsible federal officials have exerted during the past few years."

Equitable is planning more multiple unit housing projects in New York and other states. "As soon as construction costs stabilize and the situation as to rental restrictions of newly constructed buildings becomes clearer, it will be possible to proceed with the development of other desirable sites in New York, such as that acquired last year by the purchase of the Webb Institute of Naval Architecture in the Bronx," he said. The Clinton Hill project in Brooklyn is nearing final completion and will provide accommodations for 1,250 families.

"In addition," he continued, "we shall be prepared to consider similar projects in other states which amend their laws to make it clear that 'foreign' life insurance companies can construct and continue to hold such housing developments. The greatest need is for multiple-unit housing accommodations on a rental rather than an ownership basis and the surest way to encourage the construction of such housing is to provide immediately appropriate changes in existing federal controls over rents on new housing."

Remarking on the current concern over fatalities resulting from airplane accidents, Mr. Parkinson said there was a total of only 29 lives involved in claims of \$197,000 paid by Equitable since July, 1940 on account of fatal accidents to airline passengers on scheduled commercial planes. The corresponding figures for 1946 were five lives for \$12,000, out of a total of 44 lives for claims of \$189,582 on account of airplane fatalities of all kinds, to pilots and crews as well as to passengers, and including private and non-scheduled flying. This compares with claims in 1946 on account of automobile accidents involving 252 lives for a total of \$1,050,797.

Loans on policies now represent only 3% of assets compared with 21% in the worst depression year of 1932.

GREAT NORTHERN LIFE

Assets of Great Northern Life in 1946

increased \$1,165,650 to a total of \$13,433,462.

Life insurance in force reached \$57,635,320, a gain of \$7,491,585. A. & H. premiums were \$2,402,783, a gain of \$308,348.

Capital and surplus amounted to \$1,568,348.

Benefit payments were \$1,574,700.

LOYAL PROTECTIVE LIFE

Loyal Protective Life's new business in both the accident and health and life branches in 1946 was twice that of the previous year. Life insurance in force increased 39% and premium income increased 19%. Payments to policyholders were up 22% and admitted assets up 16% over 1945.

NEW YORK LIFE

Assets of New York Life totaled \$4,026,689,280 on Dec. 31, and surplus was \$231,038,632.

In view of the continued low yields, the company has further strengthened its insurance and annuity reserves, President G. L. Harrison stated. All of these reserves are now computed on an interest basis of 2½% or lower.

Life insurance in force totaled \$8,543,308,415 under 3,561,355 policies. Sales amounted to \$832,484,000, which was \$268,303,900, or 47.5%, over 1945. The gain of insurance in force of \$564,115,313, was the largest in history.

Benefit payments aggregated \$189,794,091. Of this amount, living policyholders received \$110,293,027 and the beneficiaries of 19,782 policyholders who died received \$79,501,064.

The provision for 1947 dividends is \$41,730,229, as compared with \$38,895,341 for 1946.

Bond holdings aggregated \$3,317,261,757, government obligations amounting to 61% of assets. In the second half of 1946 new investments began to reflect the increasing demand for funds by private industry, Mr. Harrison noted. Investments in corporate securities increased by more than \$118,000,000 during that period.

Mortgages were valued at \$335,772,452. New York Life made 1,721 GI mortgage loans to veterans aggregating \$12,009,039 and had 2,712 mortgage loan engagements to veterans in excess of \$21 million at the beginning of 1947.

The housing development at Princeton, N. J., embracing 150 garden-type apartments, is nearing completion, and the residential community at Fresh Meadows, Queens, to include 3,000 apartments is under construction. The company hopes to make future investments in rental housing developments in other sections of the country where feasible under state laws and local conditions.

PHILADELPHIA LIFE

Philadelphia Life completed the most successful year in production in history. Insurance in force was increased to \$75,386,118, a gain of \$10,355,313.

New paid business amounted to \$14,166,661, a gain of 150%.

Assets increased in the amount of \$877,185, bringing the total to \$19,291,024.

PROVIDENT LIFE & ACCIDENT

Life insurance in force of Provident Life & Accident gained more than \$86 million in 1946 to reach \$348,068,132. A. & H. premium income rose to \$15,776,723, an increase of \$3½ million.

Benefit payments totaling \$11,558,411 were made to more than 200,000 claimants.

Assets increased to \$37,251,678.05, a gain of more than \$5 million.

SCRANTON LIFE

Assets of Scranton Life at Dec. 31 stood at \$12,164,190, capital was \$340,000 and net surplus \$121,295. The increase in assets was \$666,102.

New sales totaled \$5,952,413, an in-

(CONTINUED ON PAGE 28)

Penn Mutual Lapse, Surrender Trend Up

Penn Mutual Life's lapse and surrender rate turned upward last year following a downward trend since the 1932-33 depression years. Malcolm Adam, vice-president, said, adding that the industry as a whole experienced in 1945 to a slight degree the trend reversal.

"Surrenders, to a large extent, are not controllable," Mr. Adam explained. "They occur when a policyholder needs funds or when his need for protection has terminated, or when he wishes to use the cash value at retirement age to produce an income for himself."

Of Penn Mutual surrenders last year, about 20% of the cash value went to pay loans previously made on the policy surrendered and about 10% was applied under policy income options. Only 65% of the value was taken out in cash, he said.

Regarding lapses, he said they are much more likely to occur before the policyholder has fully acquired the premium paying habit.

Mr. Adam also regards lapses after the first few years as uncontrollable. He observed that special conservation units had been established from time to time by the companies with very little success. The expense margins in the premium will not support this work, he said.

Effect of Agent's Experience

"The persistency of business sold by new men is less favorable than that of older experienced agents," he said. This is even more true of the business produced by new men who do not make good. But, he pointed out, undoubtedly the very substantial increase in the amount of business produced by men not long in the business is a contributing factor to the increase in the volume of first-year lapses. Mr. Adam said that most first-year lapses occur at the point where the financial incentive of the agent to keep the policy in force is the greatest, since a very large part of the agent's income from the policy is derived from the first year's premiums.

He concluded:

(1) A low first-year lapse rate can be obtained if all business is produced by experienced agents but this is impossible because freshmen agents are necessary for the company's growth.

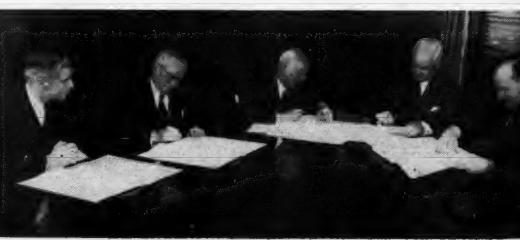
(2) Careful selection and thorough training of new agents is essential. Mr. Adam said that Penn Mutual is giving this phase of its agency operations a great deal of attention and is directing its recruiting and training efforts toward the acquisition of high-grade agents.

(3) Careful selection of prospects will result in more persistent business. The company is encouraging its agents to select their prospects carefully and is using a persistency rating chart to index the agent and the quality of business he writes.

(4) A balance of objectives must be achieved. Mr. Adam explained that a small amount of perfectly persistent business from a diminishing agency organization is no more desirable than a tremendous volume of poorly persistent business from a large staff of indiscriminate poorly trained agents.

Equitable Statement Signing Ceremony

Ceremony of signing annual statement reports of Equitable Society —from left: Sterling Pierson, counsel; R. D. Murphy, vice-president and actuary; Alexander McNeill, secretary; Thomas L. Parkinson, president, and Charles B. Lunsford, auditor.



Living Benefits Up 9%; Death Pay Rise Slight in '46

Death benefit payments for 1946 were up just slightly over 1945 and payments to living policyholders showed a 9% gain over 1945, according to the Institute of Life Insurance. Death benefit payments were at a record \$1,280,362,000, as compared to the 1945 total of \$1,279,667,000. The 1946 death benefit total would have shown a decrease for the first time in several years had it not been for a carry-over of war death claims. Death benefits were 27% greater than in 1941, reflecting the greater amount of insurance.

Living benefits totaled \$1,512,362,000 in 1946 as compared to \$1,387,638,000 in 1945, about the same as the 1941 total. Matured endowment payments accounted for \$398,340,000 in 1946, a slight decrease for the year, but 53% above the 1944 figure. Payments for disability were \$91,774,000 and dividends to policyholders were \$501,600,000. Calls for cash surrender values during 1946 amounted to \$316,727,000, about 31% above 1945 and 38% over the low point in 1944. Last year's payments were 44% below 1941.

Institute compilations show that American families received \$7,651,000 daily from life companies during 1946 as compared to \$7,308,000 in 1945 and \$6,798,000 daily in 1944.

Aggregate benefit payments during 1946 were \$2,792,724,000, in 1945 they were \$2,667,305,000.

Payments for the year were reported by the institute as follows:

	1946 (\$000 Omitted)	1945 (\$000 Omitted)
Death Benefits.....	\$1,280,362	\$1,279,667
Matured Endow- ments.....	398,340	406,600
Disability Pay- ments.....	91,774	87,600
Annuities.....	203,921	185,950
Surrender Pay- ments.....	316,727	241,340
Policy Dividends....	501,600	466,070
Total	\$2,792,724	\$2,667,305

Metropolitan Health Hints Now Presented on Air

As an integral part of "Eric Sevareid and the News," five-a-week series which has begun over CBS, Metropolitan Life is extending its public service feature, "Good Hints for Good Health," over a radio network for the first time (6-15 p. m., EST).

These health hints, voiced by Harry Marble, are in lieu of commercials on all Metropolitan programs in keeping with the desire to be a definite social force in health. Metropolitan has long devoted its advertising exclusively to health and welfare themes, dating back to its 1928 campaign for the prevention of venereal diseases.

Mrs. Behr Enters Field

Mildred P. Behr has become associated with the Louis Behr organization, Chicago, of which, following the death of Mr. Behr, the principals are Charles A. Cummings and Herman E. Edwards.

DATES: JUNE 23-JULY 3

Up
7 Investment**Seminar Plans Are
Being Perfected**

The 1947 Life Officers Investment Seminar, sponsored jointly by the Financial Section American Life Convention and Indiana University school of business, will be held June 23-July 3, on campus at Bloomington, Ind. Dr. Harry C. Sauvain, professor of finance and director of the seminar, under whose guidance it has achieved outstanding success in past years, is now developing the curriculum and faculty for the 1947 meeting.

The purpose is to afford policy-making investment officers an opportunity for intensive study and discussion of major contemporary developments in economics and finance. It is not a training school. It is designed exclusively for senior officers, presumed to be already skilled in the analysis of investments and who are qualified for advanced study of the issues and factors currently dominant in the field of investment policy. Its objective is to aid life company investment officers in the formulation of investment policy. Many of the original enrollees return year after year.

Noted Lecturers

The lecturers will include university professors of national reputation, government experts, noted industrial and financial researchists, and members of the official families of life insurance companies, banks, investment houses and other financial institutions.

The members will attend lectures for five hours a day plus an evening lecture and discussion period.

The number accepted will be limited to maintain the size of the class within efficient bounds. Registration will be through American Life Convention.

**Assault Factor
Defeats Recovery**

The Mississippi supreme court has ruled in favor of Equitable Society and Mutual Life in a double indemnity case in which the insured was alleged to have caused the accident that resulted in his death. The insured, Robert L. Mitchell, Jr., of Louisville, Miss., was intoxicated and slapped the face of the woman friend who was driving his car, causing her to lose control of the car, which smashed into an embankment at the side of the road.

Claimed Cause was Blowout

The plaintiff, Mitchell's wife, suing for \$4,500 under the two policies, attempted to prove that the wreck was due to a blowout, despite the testimony of the two women with her husband. The lower court jury accepted the blowout theory and awarded the money to Mrs. Mitchell. The supreme court, however, held that the lower court should have instructed the jury to find in favor of the companies, since there was no material contradiction that the action of Mitchell in striking the driver was the cause of the accident.

The double indemnity clause contained an exclusion where the accident results from an assault of felony on the insured's part.

At one point in the slapping episode Mitchell told his two companions to join him in singing "The Old Rugged Cross," which they did, but as the court said, "He soon recovered from this spiritual inspiration and once more began to strike and slap Mrs. Bouchillon in the face with his hand and fist."

Propose Iowa Salary Hike

DES MOINES—A bill to increase the salary of the Iowa commissioner from \$5,000 to \$7,500 has been introduced in the senate.

Agent Is Crowned "King for a Day"

Max Matson, Mutual Benefit Life, is shown receiving the felicitations of Mary Roth, National Life of Vermont, after having been crowned "Life Insurance King for A Day" at the Northern Ohio Sales Congress, Cleveland. Mr. Matson won his title from the other "kings" in a quiz contest. To the left of the winner is Lloyd H. Feder, Reliance Life manager and program chairman. From left to right, are Hadsell Easton, manager Home Life of New York and master of ceremonies; Henry Fleisher, New England Mutual; Michael Telich, Sun Life of Canada; Charles Fehl, John Hancock; Elwood West, National of Vermont; Vincent Clark, Metropolitan; Frank McFarlane, Northwestern Mutual; Robert Caulkins, Connecticut Mutual; Richard Mueller, New York Life, Delphos, O.; Thomas Bouck, John Hancock, Akron.

Barrus Is Reappointed

CHEYENNE — Rodney Barrus has been reappointed by Gov. Hunt as Wy-

oming insurance commissioner and the nomination was approved unanimously by the senate. The new term runs from March 1, 1947, to March 1, 1951.

Salt Lake Centennial

The Penn Mutual shares its Centennial with Utah, for the Mormon pioneers arrived in the Great Salt Lake Valley on July 24, 1847, after having crossed the Mississippi on February 4, 1846.

"During the first year (1847-8) 1,700 emigrants settled in Deseret. By 1869, 80,000 more had completed the 1,300 mile journey across the great plains to the valleys of the Rocky Mountains; 6,000 were buried at the side of the trail. The Mormon colonists pioneered successful irrigation in America, reclaimed a desert and founded a vast intermountain empire."

In honor of this important anniversary, the Penn Mutual is including in its Centennial exhibit of "Life in America a Century Ago" an original painting of the arrival at Salt Lake Valley. This work by the artist Paul Clowes, was especially painted for our Centennial through the courtesy of the State of Utah, Department of Publicity and Industrial Development.

1847—Penn Mutual Centennial—1947

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THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

**Tax Question
Clarified by
Internal Revenue**

WASHINGTON — Internal revenue bureau officials say that many inquiries have been received regarding a bureau ruling of Dec. 7, 1945, to the effect that when a policy is surrendered before it matures and the cash value is to be paid out in installments the cash surrender value is to be treated as the cost of the contract. Officials say that confusion arose as a result of use of the words "constructive receipt" in publications of certain tax services. They have written Milton Elrod, Jr., Indianapolis attorney and other inquirers, in clarifying the matter.

It was stated in the practice and procedure division that the ruling applies only to a straight life policy where the cash surrender value is less than premiums paid. If cash surrender value is taken as annuity payments then that value is regarded as the consideration paid for the annuity. The cash surrender value is exempt from tax. The law contemplates that every annuity payment includes part capital and part interest and the interest part is taxable.

Not Applicable to Endowments

Internal revenue people handling problems involving annuity and insurance payment taxation say that the principle laid down in the ruling does not apply to payment under an endowment policy, although the impression seems to have gotten out that the ruling does apply to endowment policies where before maturity election is made to convert to annuity, and that in such cases the total profit should be reported.

If an endowment policy goes to maturity without election, then at maturity the difference between premium paid on the policy and its maturity value should be reported as income for the year of maturity. If, after such a policy matures, the policyholder decided to have the proceeds paid as annuity, then the maturity value would become the basis for computing the 3% tax.

Doubt Solution Reached

Meanwhile, it is learned that insurance people do not think the recent bureau ruling in PS No. 18 solves their pension trust problems. That ruling held that one year term premiums computed in the manner specified therein may be considered as based on rates of the company issuing the contract and may be used for the purpose of computing cost of insurance under a pension trust and to be included in the employees' taxable income.

Dissatisfaction is reported based on lack of clarity in the language used and impracticability of the method proposed.

**Landi's Licenses Revoked,
Agency Restricted**

LOS ANGELES — The Landi-Kennell Corp. and A. Z. Landi license matters which have been before the insurance department for a year, finally have been disposed of by Commissioner Downey by an order revoking all licenses of A. Z. Landi, and continuing licenses of the corporation on a restricted basis until July 1, 1947.

The order states Landi had been guilty of fraudulent practices, dishonest conduct of his business and was untrustworthy. The licenses revoked were as agent and broker and as a life and disability agent.

The order sets forth that Mrs. F. R. French, following bankruptcy proceedings, now is sole owner of the Landi-Kennell Corp., and that it is now a solvent corporation with which A. Z. Landi has no connection. Mrs. French is required to change the title by July 1 so the names "Landi" and "Kennell" do not appear in it.

Reappointment of Forbes Is Seen

It is expected that announcement will be made this week that David A. Forbes is to be reappointed as Michigan insurance commissioner. There had been some question about this, but political writers recently have been flatly predicting his reappointment and all the straws seem to point in that direction. Gov. Sigler was memorialized by a great many insurance people in the state to keep Mr. Forbes in his cabinet.

Life Insurance, Real Estate Don't Mix, Officials Say

If a resolution adopted by the Toronto Assn. of Superintendents of Insurance of Canada becomes legislation, or becomes a provincial rule governing the selection and licensing of agents, realtors will not be granted licenses as life insurance agents in the larger centers, even though they may have licenses for other lines.

While the superintendents have not stated that they intend to see that this resolution is put into effect it is taken for granted that such action will be taken.



THE UNION CENTRAL HAS PRESENTED THE JEROME CLARK AWARD FOR AGENCY BUILDING ACHIEVEMENT TO JACK KNIGHT, MANAGER AT JACKSONVILLE, FLA.

* * *

MR. KNIGHT WRITES: "It is my considered opinion that you and your staff deserve some of the credit for helping us win the award. Many of the sales helps and suggestions outlined in your service have assisted my organization in doing an outstanding job in 1946.

"We use your major services very intensively and have nothing but thanks and admiration to extend to you and to your staff. This unsolicited letter is the tribute one man would like to pay to the job you are doing in your particular field."

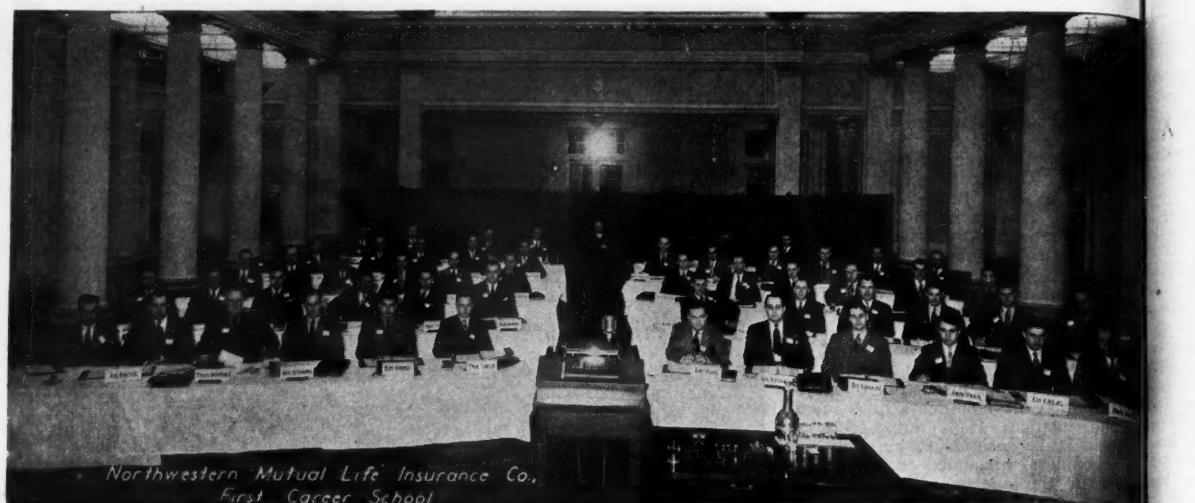
* * *

THANK YOU, MR. KNIGHT. I THINK THE KEY WORDS ARE, "WE USE YOUR SERVICES VERY INTENSIVELY." THE GOOD IDEAS R & R BRINGS ITS MEMBERSHIP ARE OF NO AVAIL UNTIL PUT TO WORK — AND MR. KNIGHT'S COMMENTS ARE PROOF THAT THEY DO WORK.

PAUL SPEICHER
Managing Editor

**THE INSURANCE
RESEARCH & REVIEW SERVICE,
INDIANAPOLIS**

Northwestern Mutual "Career School" Largely Attended



Northwestern Mutual Life Insurance Co.
First Career School

Sponsored by 38 general agencies, 52 agents of Northwestern Mutual Life attended the first of a series of "Career Schools" held at the home office in Milwaukee Jan. 27-Feb. 7. This and the second school, Feb. 24-March 7, are limited to veterans. Subsequently, schools will be opened to other full-time agents regardless of military service, who meet certain eligibility requirements. Selections will be made from all general agencies of the Northwestern.

Taking an active part in the program of the two-week Career Schools are 25 home office people, specialists in their lines. The curriculum consists of lectures, discussions and conferences on all phases of life underwriting. The pro-

gram of these schools has been developed and is under the supervision of Harold Gardiner, educational director of the company.

One of the school's features is a four-hour classroom instruction in the proper use of the voice and the psychology of salesmanship, and a two hour speech clinic. Ray Myers, psychology and public speaking instructor at the University of Wisconsin, is in charge. Each man has his voice recorded while being personally checked by the instructor. As it is played back he is given recommendations on how to improve his speech.

As a closing feature of the first school, Jack Laffer, Wichita, Kans., was elected to demonstrate to the class his version

of the Planned Income interview, based on field experience and school instruction. Then Theodore Hauser, Lancaster, Pa., Fred Seifer, Omaha, and Maurice Smith, Los Angeles, outlined their 1947 work plans, incorporating ideas gathered at the school and applied to their own situations.

Grant L. Hill, vice-president and director of agencies, gave the closing talk and Mr. Gardiner presented the diplomas.

Mutual Benefit Life has enrolled 57 home office and agency employees in February for study classes preparatory to taking a total of 90 Life Office Management Assn. examinations this year.

SALIENT FEATURES OF 1946 ANNUAL STATEMENTS

	Total Assets	Increase in Assets	Surplus to Policy-holders	New Bus. 1946	Ins. in Force Dec. 31, 1946	Increase in Ins. in Force	Premis. Income 1946	Total Income 1946	Benefits Paid 1946	Total Disburs. 1946
Amer. Home Life.	100,809	31,737	58,103	256,843	1,339,773	61,234	48,332	56,432	6,816	31,866
Baltimore Life ...	29,179,198	2,428,324	2,443,167	28,616,593	169,308,888	13,765,965	5,813,452	6,994,762	1,960,741	4,583,665
Berkshire Life ...	97,010,189	6,404,330	1,957,388	37,448,575	298,870,306	25,440,223	9,908,105	17,403,532	5,758,096	11,007,081
Capitol Life	19,595,951	1,610,243	1,413,761	30,254,685	105,137,040	18,453,310	2,754,011	4,055,000	1,127,438	2,527,138
Central Life, Kan.	2,452,815	—3,421	63,603	285,480	5,136,631	90,135	61,693	204,562	113,559	191,495
Columbia Mut. L.	4,082,831	173,149	169,320	8,973,350	24,232,067	1,570,209	715,001	938,012	407,621	778,598
Empire State Mut.	3,215,132	403,419	431,641	6,492,565	18,590,000	3,132,914	595,735	832,622	193,606	521,417
Family Fund	1,130,444	361,781	408,799	36,910,697	35,843,425	12,014,275	1,433,937	1,462,248	309,613	1,143,672
Fed. Life & Cas.	3,458,424	432,021	1,332,928	2,413,923	9,472,754	1,952,457	235,596	2,922,931	25,785	2,495,447
Fidelity Union ...	9,523,965	1,401,689	1,756,777	12,208,304	47,767,840	9,130,652	1,388,835	2,342,649	275,796	967,699
Franklin Life	92,915,981	16,128,133	6,500,000	133,284,736	446,768,734	92,513,739	21,495,224	27,483,442	3,983,277	11,732,418
Globe Life	5,476,681	465,524	555,998	3,165,365	30,373,531	2,061,699	684,516	935,989	197,764	470,927
Golden State Mut.	2,513,711	469,243	853,641	18,468,850	33,161,326	9,559,463	1,923,880	2,116,606	302,869	1,678,992
Great South. Life.	84,282,375	6,794,500	6,259,560	82,047,044	371,765,356	46,818,196	11,046,197	14,963,093	4,324,172	8,376,499
Gov. Per. Mut....	756,914	106,519	74,700	2,646,883	7,115,071	1,384,817	187,446	217,325	61,480	116,173
Gt.-West. L. Assur.	275,284,369	30,254,331	13,879,780	146,552,465	908,609,383	99,536,784	35,118,171	60,549,501	13,615,598	31,137,431
Home Life, N. Y. ...	180,654,456	13,044,150	7,398,325	103,793,771	655,227,912	78,210,382	18,104,469	29,503,601	8,990,930	16,753,339
Imperial Life ...	10,147,004	1,658,270	1,237,856	20,791,283	90,058,301	14,572,318	3,220,370	3,739,147	465,234	2,154,446
Indus. L. & H. ...	25,273,356	5,526,459	9,346,319	351,829,189	418,966,261	94,328,405	25,818,007	26,860,464	5,870,878	22,509,172
Jefferson Nat. Life	3,750,794	1,322,628	1,619,793	8,757,799	34,265,843	7,020,453	976,314	1,957,178	174,613	713,956
John Hancock ...	2,037,505,696	199,883,459	159,733,003	1,852,869,430	8,300,558,487	1,043,939,724	306,157,978	415,270,360	138,602,740	219,212,712
Kansas City Life	181,892,376	11,731,969	10,010,002	104,318,569	674,105,024	64,523,934	19,196,120	27,561,831	9,052,757	16,171,431
Loyal Prot. Life..	6,111,083	829,386	3,122,615	5,167,183	14,569,881	4,103,986	2,678,857	2,940,602	741,304	2,486,634
Metropolitan Life... 8,045,432,384	483,435,114	149,982,281	94,179,578	34,422,019	3,160,049*	81,087,664*	41,460,851*	630,302*	953,489*	
Natl. Old Line ...	2,445,668	303,133	347,039	4,972,464	17,507,595	4,339,865	496,251	627,557	58,997	334,873
North Amer. Life.	20,151,467	1,368,234	1,588,151	18,651,010	103,045,932	11,439,859	2,660,176	3,850,217	1,110,257	2,457,111
N. Am. Life, Can.	104,877,199	8,503,669	6,605,308	58,453,388	370,651,409	40,480,147	11,655,611	18,444,180	5,302,014	10,274,639
Old Amer. Life....	319,761	60,651	279,211	1,934,804	2,206,994	1,889,874	100,170	136,455	988	92,034
Old Line L. of Am.	33,347,976	2,141,714	2,862,895	10,854,071	107,076,646	6,192,717	3,416,982	6,010,885	1,971,608	3,921,098
Postal Life & Caa.	2,239,890	153,850	826,352	4,790,669	9,006,125	3,301,723	212,016	302,402	90,118	467,918
Pres. Ministers ...	42,501,500	1,923,102	4,520,818	7,637,938	79,941,586	4,910,543	3,541,994	6,202,736	3,009,960	4,262,182
Pyramid Life, Ark.	2,940,114	375,521	538,400	6,874,196	24,583,225	3,557,429	42,649	706,634	128,482	393,457
Pyramid Life, Mo.	4,615,143	204,386	485,561	3,749,551	19,146,356	2,658,089	474,676	676,481	173,652	484,076
Republic Life	3,172,073	475,757	802,433	5,248,523	32,257,974	3,031,478	159,750	359,454	143,798	388,688
Rio Grande Nat. L.	2,899,705	621,096	333,563	16,078,439	47,120,479	6,918,408	1,276,086	1,481,605	222,245	876,648
Secur. L. & Acci.	13,874,842	1,960,221	1,562,698	16,898,500	78,481,633	11,467,794	2,385,902	4,000,574	575,274	2,054,635
Standard Life, Ind.	4,041,510	916,363	684,279	10,562,069	14,302,920	6,991,716	1,504,044	1,811,829	326,906	957,904
State Farm Life.	19,539,687	4,165,110	2,946,747	64,398,836	217,922,155	47,957,322	7,557,172	7,537,180	1,072,294	3,500,597
State Mutual Life.	290,843,867	19,675,551	14,463,680	101,876,137	805,347,281	77,045,780	26,618,920	44,562,426	14,562,911	24,562,174
Sunset Life, Amer.	1,757,894	224,647	332,700	3,531,138	19,150,760	2,204,566	432,419	504,520	82,365	284,825
A. O. U. W. N. D.	15,007,953	653,666	1,482,274	4,574,297	54,644,132	2,265,785	1,406,035	2,284,141	973,071	1,609,144
Equitable Reserve	11,215,303	477,434	1,240,956	3,128,132	38,571,353	852,225	881,019	1,555,283	782,906	1,138,831
Fidelity Life Assn.	14,334,062	682,722	626,823	4,868,111	57,278,212	1,433,698	1,412,126	2,099,286	907,060	1,408,944
Homestead, L. Assn.	5,374,484	256,026	306,291	3,108,857	20,151,459	137,052	767,216	998,636	331,339	728,475
Standard Life, Kan.	11,059,411	—14,963	867,616	2,679,500	32,947,564	—462,415	855,352	1,332,704	988,814	1,340,845
Woodmen of the World	157,828,335	4,850,943	13,956,311	76,020,721	439,404,400	24,307,641	12,070,933	20,552,095	9,559,074	14,952,533
FRATERNALS										

*Last three figures omitted.

¹Group life insurance reserve for epidemics, etc. (incl. \$0 A&H); \$13,700,000 special reserve for possible loss or fluctuation in value of investments (inc. \$343,000 A&H); \$69,833,000; Unassigned funds: \$413,449,281. ²Issued, revived and increased, includes excess, if any, of group increases over withdrawals. ³Includes A&H premiums: \$56,285,338. ⁴Includes total A&H income: \$57,984,588. ⁵Includes A&H payments to policy holders: \$37,966,727. ⁶Includes total A&H disbursements: \$49,379,153.

1946...A Year of Record Growth

New Business largest in STATE MUTUAL History

HIGHLIGHTS OF 101st ANNUAL REPORT

NEW PAID BUSINESS (including Group) \$101,346,512
Gain over 1945, 57.15%

INCREASE IN INSURANCE IN FORCE \$77,045,780

TOTAL INSURANCE IN FORCE, December 31, 1946 \$805,347,281

LAPSES AND SURRENDERS continue at extremely low levels 1.25%

NUMBER OF POLICYHOLDERS increased 15,100 to 158,400

ADDITIONAL NUMBER

of individuals covered under Group forms in first year 12,850

PAID to Policyholders and Beneficiaries \$15,225,170

TOTAL INCOME from premiums and investments \$34,770,792

TOTAL ASSETS increased \$19,575,551 to \$290,843,867

TOTAL LIABILITIES \$279,136,529

SURPLUS, December 31, 1946, increased to \$11,707,338

Steadily Forging Ahead

AN OLD COMPANY WITH A YOUTHFUL OUTLOOK

STATE MUTUAL LIFE
Assurance Company
OF WORCESTER, MASSACHUSETTS

U. S. Agency Pleads for State Fund Monopoly in Cash Sickness Plans

Private insurance interests get little comfort from the report "Temporary Disability Insurance Coordinated with Unemployment Insurance" that has been put out by federal security agency of social security administration.

The report condemns both the California system under which both the state fund and private insurers are competing, and a system that would require all covered workers to be insured by private plans underwritten by commercial insurers, or through self insurance arranged by the employer.

"Contracting out," the report contends, "violates sound principles of social insurance by making it impossible to provide basic protection of all covered workers at the least overall cost. It is certain, the report contends, that

It creates serious administrative problems and increases administrative costs."

No effective safeguards have been devised to prevent commercial insurers from getting the good risks and the state fund from getting the bad. Hence the state fund's experience is likely to be poor and that would cause the fund to be criticised unjustifiedly.

Employes who would choose to contract out, the report states, would generally be those who would get a cheaper rate or get what appears to be more liberal benefits under a private contract. It is certain, the report contends, that

the most burdensome rates would fall on the workers least able to pay.

Even if it were possible to prevent adverse selection against the state fund at the outset, there is no way of preventing private insurers from canceling lines that turn sour.

Also the report denounces private participation on the ground that underwriting and adjudication costs to commercial insurance are much higher than administrative costs in social insurance. In Rhode Island the amount provided for administration is 4% of contributions, whereas in California it is 5%.

At this point the report cites the Ralph H. Blanchard survey of private A. & H. insurance that was made for the social security board showing that the overall administrative expenses for all forms of A. & H. insurance were 37%, exclusive of fees, licenses and taxes. In group insurance the figure was 20%.

According to this report, competition for business in the A. & H. field has not eliminated the less efficient units. Many insurers remain in business year after year, even though they pay back to the policyholders only 40 cents on each premium dollar. Under individual contracts, the report states the return in benefits averages only about 35% and under group insurance it is 66%.

The report states that any system that allows contracting out is bound to be complex, particularly for workers that change employers. The administrative practices would be more cumbersome and the entire operation would be slowed up.

The report goes on to state that in workmen's compensation insurance, administrative expenditures where the state fund is not the exclusive insuring agency were nearly three times those in states with exclusive state funds. This, the report argues, is due mainly to the greater administrative complexities that are inevitable when the state fund has to operate in conjunction with commercial insurers. Also, the report claims that there would be frequent misunderstandings and friction between the state agency and private insurers.

National Farmers Union Life Probed in N. D.

ST. PAUL—Glenn Talbott, vice-president of National Farmers Union Life, now under scrutiny by the North Dakota state senate, said here that the insurer has nothing to fear from an impartial investigation.

A conference examination of the company up to June 30, 1946, was recently completed by Montana, Colorado and North Dakota, Mr. Talbott said. "The report of the examiners indicates all the affairs of our company are in excellent shape."

He said the report for 1946 showed \$25 million insurance in force, no defractions in interest or principal payments and a ratio of assets to liabilities of 117%.

"On the basis of such a record for a company only nine years old we have nothing to fear from an impartial investigation," said Mr. Talbott.

Name L.A.A. Eastern Round Table Committee

Powell Stamper, National L. & A. president of Life Insurance Advertisers Assn., has named the 1947 Eastern Round Table committee, which met recently in the office of Richard Rhodebeck, United States Life, who is committee chairman. Plans were made for the March 17-18 meeting in New York.

Members of the committee are Mary F. Barber, Penn Mutual; Morgan S. Crookford, Excelsior Life; Margaret Divver, John Hancock; Clifford B. Reeves, Mutual Life; H. A. Richmond, Metropolitan; Arthur F. Sisson, Standard Mutual; Joseph B. Treusch, United States Life, and J. H. Warner, Aetna.

CONTINENTAL AMERICAN REPORTS PROGRESS

During a Year of Economic and Social Transition

39TH ANNUAL STATEMENT December 31, 1946

ASSETS

Bonds: U. S. Government	\$20,947,018.99	42%
Canadian Government	49,106.85	*
State, County and Municipal	864,252.77	2
Utility	4,058,211.40	8
Railroad	290,270.92	1
Industrial	62,730.46	*
Total Bonds	\$26,271,591.39	53%
First Mortgage Loans	17,298,402.07	34
Home Office Property	743,145.80	1
Other Real Estate	594.55	*
Preferred and Guaranteed Stocks	910,987.66	2
Common Stocks	55,500.00	*
Policy Liens within the Reserve	3,509,160.69	7
Cash in Banks and in Office	1,407,377.59	3
Total	\$50,196,759.75	100%
*Less than 1/2 of 1%		

LIABILITIES

Policy Reserves	\$45,525,186.17
Reserved for Policy Dividends, Taxes, etc.	961,564.21
Contingency Reserves—Investments	192,670.54
Future Interest Requirements	300,000.00
TOTAL LIABILITIES, EXCEPT CAPITAL	\$46,979,420.92
Capital Stock	\$ 637,530.00
Surplus	2,579,808.83
TOTAL SURPLUS AND CAPITAL STOCK	3,217,338.83
Total	\$50,196,759.75



Continental American Life Insurance Company

WILMINGTON • DELAWARE

A. A. RYDGREN, PRESIDENT

M. S. BELL, VICE PRESIDENT

Gordon OK's N. J. Plan Offered in '46; Lists New Fields

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to prevent
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The responsibility that those in the accident and health business must face in connection with cash sickness plans was emphasized by Harold R. Gordon, managing director, Health & Accident Underwriters Conference, in addressing the New Jersey Women's Accident & Health Assn. at Newark, with especial reference to the situation in New Jersey. He reviewed the plan submitted last year by the state commission studying that problem, which submitted a proposed bill requiring employers of four or more persons to pay benefits as scheduled to workers for unemployment due to sickness. Employers could self-insure or purchase insurance from private carriers.

"This plan is considered by most economists and those of long insurance experience as the best plan possible for the workers of this state," Mr. Gordon said. "It is definitely superior to either the Rhode Island or California plans." He expressed the hope that the commission "will determine again that private insurance is able to do the job without the state going into the disability insurance business, either alone or in competition with private carriers, as is done in California."

Protecting Small Employers

On the question which has been raised in New Jersey, as to whether private carriers can furnish protection to small employers—those with more than four and not more than 25 employees—at reasonable cost, Mr. Gordon said it has been demonstrated in several states through franchise coverage and through the regrouping of small groups into larger groups, that such collective small groups can be written at no greater costs and serviced as effectively as large groups. He also suggested that the assigned risk plan, used in the compensation field, could be applied to a compulsory insurance plan in New Jersey.

"We sincerely and honestly believe that we can do a better job than can any state insurance agency," Mr. Gordon said. "We must demonstrate the truth of this statement."

To meet the situation created by the appearance of these state plans, he said the business must discard some of its past ideas of underwriting, handling and servicing of the business and type of insurance.

"We must insure more people—we must insure them at the lowest possible cost—we must broaden our coverages. Companies must supply the need and salesmen must see that those who need it have it."

Some Laws Need Revision

Mr. Gordon said that in some cases state laws need to be revised or new laws enacted to enable private insurance to furnish complete and modern insurance protection and that statutes in many states have prevented companies from furnishing such protection to the public. He said that in most cases the business has received fine cooperation from the insurance departments along this line.

In taking up some of the newer developments and those likely to come in the field of disability insurance, he said the greatest advances in recent years have been made in group coverage, in which he included not only employer groups, but also franchise, association groups, family policies, and other specialized group lines. Group insurance, he asserted, is here to stay and is one of the most effective methods of covering small income workers.

Newer, but advancing rapidly, is so-called "franchise" coverage which he defined as merely a plan or method of furnishing individual policies on a group basis, with flexibility of coverage, to either small groups who cannot obtain similar coverage under an employer

group type or to larger groups or associations who have no common employer. He regards this type of coverage as an answer to the problem of private insurance supplying the need of small employers, instead of the state taking over the disability insurance based on those risks. It also provides a very flexible plan for writing large professional groups and labor unions who cannot obtain insurance on a common employer group basis. In the specialized group field he mentioned coverage for volunteer fire departments, schools, colleges, campers, Boy Scout, and credit

groups.

In connection with medical care insurance, Mr. Gordon said it is not easy to work out practical plans that will be within the ability of all persons to pay and yet to provide reasonable fees for physicians who cooperate with such plans. Such insurance is expensive and the insurer must be certain that the benefits provided are not so great as to require a premium which is too high for the ordinary wage earner. This is particularly true when dependents are included. If the premium is too high, people do not buy—except those who

are not normal risks. This sets up a selection against the insurer. However, with cooperation of physicians on fee schedules and with moderate but reasonable limitations on medical care outside of hospital, he said it has been proved that satisfactory plans can be worked out. The idea of a uniform contract and fixed premium, such as have been used in the Wisconsin Plan, must be discarded because of the application of the Sherman anti-trust act. He urged that insurers should make every effort toward working out sound plans in cooperation with the medical societies.

~~BIGGEST
BEST
GREATEST~~

*Gosh! We're
running out
of words!*

We could say that 1946 is the best year the FRANKLIN LIFE has ever known; that its growth has been the greatest in its 63 year history. We could say that the past year showed the greatest recorded increase in earnings of our representatives. But we said all those things last year, and the year before—and the year before that!

Records during 1946 were so remarkable that we feel somewhat like the Hollywood producer who found such words as Stupendous, Superb and Colossal too tame.

 New paid ordinary business produced by the splendid FRANKLIN agency organization during the year 1946 exceeded \$110,000,000.00. This, we believe, will easily place us among the top companies in America in actual dollar volume.

While industry-wide records for the year are not yet available we do know that the insurance industry as a whole showed a 60% increase in the new ordinary business during the first ten months of 1946. During the same period the FRANKLIN showed a 110% increase—nearly twice as much!

BIGGEST? (too weak) BEST? (inadequate) GREATEST? (anemic) Pshaw!
We've just run out of words to express it!



The Friendly FRANKLIN LIFE INSURANCE COMPANY

CHAS. E. BECKER, PRESIDENT SPRINGFIELD, ILLINOIS
DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

Over \$445,000,000 Insurance in Force.

Home Life Managers Map Closer Controls at Rally

Agency managers of Home Life gathered at New York over a five day period. To hold the sessions to conference size and to stimulate discussions among managers similarly situated, the managers from the eastern territory met the first two days and those from the west the final two days, with the entire group together the third day.

President James A. Fulton reviewed the accomplishments of last year and discussed the outlook. He emphasized Home Life now has no foreclosed real estate, no questionable bonds, no overdue interest, and the whole financial picture is completely healthy. He said the company during a period of prosperity had bulwarked its position for the future. In the next 12 months he believes that business will be good for those who continue with hard work and close management. "Now is the time for us to tighten up," he said. "Sloppy management and overexpansion is already beginning to take its toll in other lines of business, and those in the life insurance business who follow such proce-

dures may suffer as well."

William J. Cameron, executive vice-president, spoke on the Guertin bill and its effect on company operation. He stated that it is actual experience that is going to count regardless of legislation. In preparing the rates and changes a primary consideration has been the amount of income which the dollar invested will produce for the beneficiary on the death of the insured. The funds left under settlement options are now on a 2.5% interest rate, and they will continue on 2.5% except for funds left under interest option where the rate will be 2%, he said.

Presiding duties were shared by William P. Worthington, agency vice-president, Eugene C. Kelly, John F. Walsh and Francis H. Low, managers of agencies.

Among managers who spoke were: Vernon W. Holleman of Washington; Victor M. Shewbert, Los Angeles; and Adolph R. Klein of Chicago.

In recent months those three agencies have produced nine men for the com-

pany who are now working as agency managers, home office agency field assistants, or assistant managers.

Lester Horton, Newark; Hadsell S. Easton, Cleveland; Joseph E. Boettner, Philadelphia; and John H. Evans, New York, discussed and developed phases of client building activities.

Louis R. Stein, Newark agent, told how the company's plan of operation had resulted in his producing \$1,465,000 in new life insurance during his first year.

Average Earnings Impressive

Mr. Worthington reported that the average earnings of the field organization had increased by 123% since 1938, which was the year the company submitted figures for the TNEC investigation. At the same time the annual production of new business has gained by 181%. Such records, he pointed out, are convincing evidence that the company is on the right track in building a field organization first rather than putting the emphasis on production.

Home Life, he said, is dedicated "to building an organization of successful men who in turn will render the finest life insurance possible to their clientele." As Home Life men "grow individually on a sound career basis, we know that the company must grow."

In 1946 average production per man was \$316,400 compared with \$77,733 in 1938, Mr. Kelly reported. Men in the first year with the company earned a average of \$327 per month under the salary plan in 1946. While the records are exceptionally good, there were men who left the business during the year and in retrospect the record proves that they should not have been hired in the first place. It is at this point in the selection procedure where managers will seek to make an improvement during the coming year.

In the sessions on training and direction Mr. Walsh and Mr. Low placed the emphasis on the results which can be obtained when management gives good direction toward adherence to the company's tested plan of operation. Production follows the line of field activity. Better training methods and closer direction on the part of management in 1947 will be pointed toward an even greater degree of sustained activity in all agencies. Emphasis is on directing men into doing those things which experience has proved will make them successful.

Seattle Council Sponsors Will Drafting Contest

The Seattle Life Insurance & Trust Council, consisting of 46 life agents and general agents and 21 senior trust officers of Seattle banks, is sponsoring a will drafting contest for law students at the University of Washington.

The main objective of the contest is stated to be to impress young lawyers with the necessity of a careful over-all estate plan covering the use of such items as life insurance, life insurance trusts, option settlements, trusts under wills and other instruments where they serve a useful purpose, also the importance of careful draftsmanship of the will and related documents so as to coordinate all parts of the over-all plan.

First prize will be \$250, second prize \$100, and third prize \$50.

The Los Angeles C. L. U. chapter has elected Bruce E. Bare, general agent of New England Mutual Life, as vice-president, succeeding Walter Firman, who resigned when appointed Long Beach manager of Prudential.

State Mutual Cup to Stanley Martin

Stanley E. Martin, general agent at Dallas, is here receiving from President George Avery White State Mutual Life's president's cup.

The cup is awarded each February for outstanding agency achievement and is the highest honor which a State Mutual agency can attain. It is based on net paid business and percent of increase over previous year,



persistence, ratio of voluntary termination, production from old organization, total paid business from new full-time organization and average production per man-month from new full-time organization.

The cup was personally presented to Mr. Martin by Mr. White at a dinner of the State Mutual General Agents Assn. at the home office.

THE PRUDENTIAL
A MUTUAL LIFE INSURANCE COMPANY



**INSURANCE COMPANY
OF AMERICA**
HOME OFFICE . . . NEWARK, N. J.

Institute Notes Smaller Juvenile Percentage in 1946

While purchases of juvenile showed an aggregate gain in 1946 of 3%, they represented a substantially smaller proportion of total purchases than in 1945, a survey by the Institute of Life Insurance indicates. Industrial juvenile increased 7% while ordinary juvenile remained practically the same as in 1945. The survey covered the experience of companies writing half of total new ordinary and $\frac{1}{2}$ of total new industrial in the U. S. The institute estimates that juvenile purchases approached the \$2 billion mark in 1946.

Purchases by adults rose much more sharply and ordinary juvenile purchases last year represented 8% of total ordinary sales while in 1945 they were 11%. Industrial juvenile purchases were 36% of total industrial purchases compared with 39% in 1945.

The survey demonstrates that the greater part of the juvenile was written in 1946 on children under five years. About 64% of industrial juvenile was purchased on children of four and under and 61% of ordinary was on children of that group. Ages five to nine accounted for 16% of the industrial and 17% of ordinary juvenile policies, while ages 10 to 14 accounted for 20% in the case of industrial and 22% for ordinary.

Baxter-Cooper Agency Is Ordered to Answer Suit

MILWAUKEE—Circuit Judge Breidenbach overruled a demurrer by the Baxter-Cooper agency of Chicago and ordered it to answer within 20 days a breach of contract suit brought by A. F. Wanta, Milwaukee local agent. The demurrer had been argued earlier by Philip La Follette, Madison attorney and former Wisconsin governor.

Wanta charged that although Louis H. Baxter and S. Robert Cooper, heads of the agency, had contracted with him to sell insurance policies to members of building and loan associations in Wisconsin, they had "refused and still refuse" to pay him 10% of the first annual premium on policies he sold, as agreed. The agency argued through counsel that the contract was unenforceable because it violated state statutes. In overruling the demurrer, Judge Breidenbach held that "the contract in question is not so indefinite as to be unenforceable."

The Baxter-Cooper agency is manager for Federal Life.

\$1 $\frac{1}{4}$ Million in "Apps" for Keesling's 70th Birthday

Francis V. Keesling, president of West Coast Life, was presented \$1 $\frac{1}{4}$ million of new business written between Feb. 1 and 17 in recognition of his 70th birthday. The celebration and ceremony took place in Mr. Keesling's office and the agents who produced the business were represented by Otto Langpaap, manager of agencies, who made the presentation.

Orcids were attached to each application for \$10,000 or over; red roses on each application from \$5,000 to \$10,000; carnations on apps between \$2,500 and \$5,000 and daffodils on apps under \$2,500. Participating in the event were H. J. Stewart, executive vice-president; Dr. Ivan C. Heron and Dr. A. C. Olshen, vice-presidents; C. C. Warner, secretary; George C. Clarke, Jr., director, and George T. Armstrong, treasurer.

Mahan, Butler Become James & Co. Officers

Robert B. Mahan has been taken into the firm of Fred S. James & Co., Chicago, and has been elected a vice-president. Rush C. Butler, Jr., has been elected vice-president.

Mr. Mahan joined James & Co. in 1936 and was manager of the casualty

department until he became an officer in the army coast artillery in 1942, being discharged in 1945. At present Mr. Mahan handles accounts for the firm. A graduate of Northwestern University, he entered insurance with Marsh & McLennan in 1928.

Mr. Butler, a producer, joined James & Co. in 1936 following six years with Rollins, Burdick, Hunter Co., Chicago. He attended the University of Iowa.

Mutual Life Returns to Canada

Mutual Life of New York has been licensed to transact business in Canada, according to a statement issued by the Canadian insurance department.

Mutual Life was previously licensed in Canada but withdrew several years ago.

SUMMARY 41st ANNUAL REPORT

December 31, 1946

Insurance in Force ..	\$169,939,175
New Insurance	19,338,887
Admitted Assets	52,853,249
Income	7,939,866
Policyholders' Surplus	4,156,155

Payments to Policyholders and Beneficiaries since the inception of the Company total \$52,138,109. These payments plus the Company's Assets equal 105.73% of the total premiums received.

THE MIDLAND MUTUAL LIFE INSURANCE COMPANY

250 East Broad Street
Columbus 16, Ohio

1906

1947



F. V. Keesling

Philippine Business Goes from Good to Better; Chinese Operations Impossible

NEW YORK—The Manila, P. I., agency of U. S. Life paid for \$44 million of insurance in 1946 and expects to pay for \$50 million in 1947. Galen Litchfield, vice-president of U. S. Life and former head of Asia Life, said that although the amount of money that the American army has been pouring into the Philippines is beginning to slack off, exports, particularly in copra, are developing very rapidly, and that the Philippines should continue to be an excellent market for insurance for a long time.

Mr. Litchfield, who has recently come to New York from the Philippines and from a survey of business conditions in China, Burma and Siam, said that most companies which had been operating in the Philippines before the war are now in operation there again.

He said that when U. S. Life first reopened its agency on July 5, 1945, there was not only a tremendous backlog of demand for insurance, but that money was pouring into the area through the one to two million soldiers established

there for the possible invasion of Japan. Total Philippine currency prior to the war was about \$140 million. The troops were spending about \$30 million a month. All figures are in U. S. currency, not in Philippine currency which is worth only half as much.

Mr. Litchfield said that when he had first returned to the Philippines, shortly after its recapture, there were long lines of people in front of banks waiting to make deposits. Similarly, a producer had only to expose himself to prospects to make a very good living. The U. S. Life agency there did not advance a penny to any of its producers. The army, he said, is still spending large amounts of money for the repair of war damage and the rehabilitation of the people, but the long run soundness of Philippine economy depends upon exports which are developing very rapidly.

By contrast the conditions he found in Chinese economy have made it impossible to renew operations in Shanghai. He said that because of inflation

which has seen the Chinese government raise the exchange rate to \$12,000 Chinese to \$1 American, each official raise just a cut below the black market exchange rate, insurance operations would be extremely difficult. The Chinese court has decided, he said, that debentures should now be redeemed at \$1,000 for each original dollar. Should this rate be applied to the payment of policy proceeds the cost to a life company would be very large. The difficulty is that most of the companies' Chinese investments are in government bonds, and since the government does not apply inflation to its own bonds, giving only the face amount of the bond plus interest, the company's liabilities would be multiplied while its assets would be stabilized.

Shanghai Office Kept Open

Mr. Litchfield said that a new issue of Chinese currency had been in the banks for over a year but that there was not sufficient confidence in the government to make it feasible to issue the currency. He said that probably the only way in which Chinese currency could be immediately stabilized was for the Chinese government to borrow gold and place the new issue of currency on the gold standard so that whoever felt un-

easy about currency could have the feel of yellow metal to restore his confidence. He said, however, that he was keeping an office open in Shanghai ready to go into operation when conditions warranted, and that he had full confidence in the eventual capacity of the Chinese to get along under whatever form of government might attain power. He said that Shanghai, at the mouth of the Yellow River which runs through a valley inhabited by 250 million people, is a vast potential market for insurance and should not be overlooked in any development of insurance in the orient.

Detroit Agency Led Provident Mutual

The Detroit agency of Provident Mutual, under General Agent Roland D. Benscoter, led all the company's agencies in new insurance sold during 1946. Production of the agency was \$7,394,000 which is greater than the production of any previous year except 1928.

The agency, which embraces all Michigan, shows a gain over 1945 of 98% and a 48% gain over quota and also leads the company in insurance sold by new agents and has the most qualifiers for the round table which will meet in Palm Beach in March.



R. D. Benscoter

Our 50th Accounting...A \$122,731,010 Responsibility to 81,274 Policyowners

For the better protection of policyholders, we voluntarily operate as a Registered Policy Company. Approved securities equal to the Legal Reserve of all Registered Policies are held in trust by the Board of Insurance Commissioners of the State of Texas.

FINANCIAL STATEMENT

December 31, 1946

ASSETS

Cash	\$ 1,144,654.91
BONDS:	
Fully Guaranteed by U. S. Government	1,686,005.49
State, County, and Municipal.....	116,237.40
Railroad	136,717.44
Utilities	1,298,108.12
Industrial and Miscellaneous.....	715,969.78
Stocks	1,227,227.52
First Mortgage Loans on Real Estate	9,552,317.03
Home Office Building.....	325,000.00
Real Estate Sold Under Contract.....	33,413.53
Other Real Estate.....	89,257.77
Loans on Company's Policies.....	1,297,161.43
Collateral Loans	18,739.51
Interest Due and Accrued and Sundry Assets	97,424.42
Premiums Due and Deferred.....	497,197.48
 TOTAL ADMITTED ASSETS.....	\$18,235,431.83

INSURANCE IN FORCE.....	\$122,731,010.00
Payments to Policyholders and Beneficiaries Since Organization.....	\$ 45,876,777.63

LIABILITIES

Death Claims Due and Unpaid.....	\$ None
Claims for Which Proofs Are Not Complete	97,427.70
Premiums and Interest Paid in Advance and Premium Deposit Funds.....	334,794.46
Reserve for Taxes.....	60,000.00
Reserve for Depreciation of Home Office Building	22,750.00
Sundry Liabilities	337,585.14
 Funds Exclusively for Protection of Policyholders	
Full Policy Reserve on All Outstanding Policies	16,107,874.53
For Fluctuation in Investments	\$225,000.00
Capital	250,000.00
Surplus	800,000.00
 SURPLUS TO POLICYOWNERS.....	1,275,000.00
 TOTAL LIABILITIES	\$18,235,431.83

1946 GAINS	
Increase in Insurance in Force.....	\$10,695,856.00
Increase in Assets	1,382,835.48
Increase in Surplus for Policyholders.....	265,000.00

Reserve Loan Life Insurance Company of Texas

1201 Main Street

An Old Line Legal Reserve Company

Dallas, Texas

LIFE • HEALTH AND ACCIDENT • HOSPITALIZATION

OFFICERS

CLINT W. MURCHISON.....	Chairman of Board
B. HICK MAJORS.....	President
PAUL D. LINDSEY.....	Assistant to President
DONALD H. CARTER.....	Vice President
EVERETT B. HUME.....	Secretary-Treasurer
CHARLES M. HANSEN.....	Vice Pres. & Actuary
ROBERT SCHULMAN.....	

HERMAN VAN MAANEN.....	Mortgage Loans
ROBERT B. CAPLINGER.....	Chief Underwriter
DR. DAVID W. CARTER, JR.....	Medical Director
ROYALL R. WATKINS.....	General Counsel
HERMAN E. OTTO.....	Assistant Secretary
LOUISE TIMMERMAN.....	Assistant Secretary
	Vice President and Director of Agencies

Two Penn Mutual agents in 1946 produced more than \$2 million, they being Lowell L. Newman, Fort Wayne, and Walker Laramore, Miami.

There were nine million dollar men—Sadler Hayes, New York; Walter R. Benz, Fort Wayne; Ralph E. Carpenter, Jr., New York; Sanford M. Bernbaum, Seattle; Bernard Jaffe, San Francisco; W. Henry Pendell, Grand Rapids; Stanley N. Murphy, Jackson; Joseph F. O'Connor, Los Angeles, and Karl Bach, San Francisco.

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February 28, 1947

Elect Gravengaard Nat'l. Underwriter Vice-President

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ferred to him by his first name, or "brother." Plaintiff and her husband paid funeral expenses and expenses incident to his last illness, because he left no other relatives. The court held that kindness extended on the part of near relatives was not the same as the common law relationship, *in loco parentis*. The case is titled Niewadomski vs. the U. S.

Urban C. Brown, John Hancock, Emporia, a past president of the Kansas Assn. of Insurance Agents, addressed classes at the College of Emporia on

"The Part Life Insurance Plays in the Economic Life of the Nation."

Youngman Agency Record

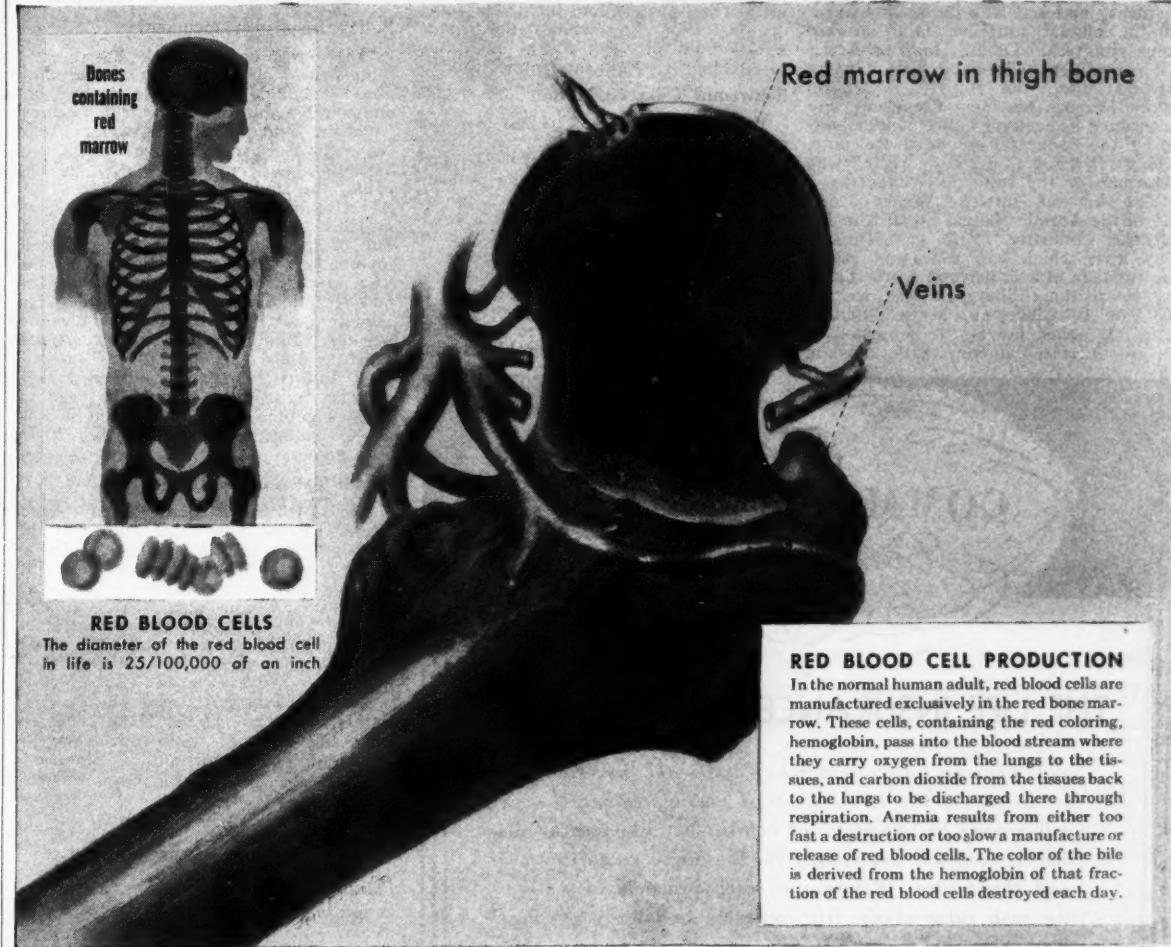
The Arthur V. Youngman agency, New York, of Mutual Benefit Life had a 1946 production of \$8,439,861 which placed it second among the company's agencies. Rowland F. Mellor was designated the most valued associate by vote of members of the agency and, in addition, had the distinction of being the agency volume leader. W. T. Daenitz won the designation of "agency

toastmaster" by being top man in the agency on the company's honor roll. H. B. Shantz for the third consecutive year of leadership qualified as lives leader.

Additional awards were made to J. H. Hanway and E. C. Wood, as they were runners-up in the voting for most valued associate.

The Boston chapter of the Special Libraries Assn. met in the New England Mutual home office with Miss Jeannette Smith, company librarian, and her staff as hostesses.

GERIATRICS: HELPING OLDER PEOPLE ENJOY LIFE LONGER



Semi-schematic drawings by Jean E. Hirsh

Longer life for people past 40

Most people have had, or will sometime have, anemia.

In younger individuals this condition is usually easy to correct: young bone marrow has great capacity to make new blood. For those over 40, anemia calls for more concern. It may even warn of some serious hidden ailment that demands attention.

Fortunately, recent strides in medical science enable almost every anemic person to live a comfortable, normal life span. This marks another achievement in what has come to be termed *geriatrics*, the science of helping older people enjoy life longer.

Anemia is a deficiency in quantity or quality of red blood cells. It can result from malnutrition, including lack of minerals, chiefly iron; from infection, glandular dysfunction, loss of blood; from lack of balance between production and destruction of red blood cells. Its most prominent symptom is fatigue.

So-called "pernicious anemia," which only 20 years ago was invariably fatal, is still formidable because if not diagnosed early it may affect the nervous system. But thanks to modern liver therapy, death or paralysis from pernicious anemia is now virtually unknown.

Anemia is best detected by hemoglobin determination. Hemoglobin, the oxygen-carrying portion of the red blood cell, is an excellent barometer of your health.

If examination reveals low hemoglobin, your physician, after proper diagnosis, has at his disposal effective remedies for correcting this condition. For anemia is no longer an inevitable "old age" ailment. Its con-

quest gives further promise to the man or woman of 40 for another 30 years or more of enjoyable, purposeful living.

Getting the most out of those years requires financial independence, best provided through savings and life insurance. Your NWNL agent, paid not primarily for how much insurance he sells you but for what you *keep in force*, has every reason to provide you with exactly the right kind and amount, measured by what you need and can afford. He can help you plan wisely for a financially comfortable future through life insurance.

FREE PAMPHLET: "Your Life's Blood" tells how the body's hemopoietic system affects your health and well-being. Sent free on request.

NORTHWESTERN National LIFE
INSURANCE COMPANY
O. J. Arnold, President
Minneapolis 4, Minn.



Sales Ideas and Suggestions

Sales Skit Main Feature of Cleveland Congress

CLEVELAND—An unusually interesting sales skit which contained a lot of meaty material was the main feature of the annual northern Ohio all-day sales congress. D. E. Hanson, Aetna Life, president Cleveland Life Underwriters Assn., and Robert T. Moore, Ohio National, president Cleveland Life Insurance Executives Club, which sponsored the congress, extended welcome. Lloyd H. Feder, Reliance Life, was chairman of the congress committee.

The skit was entitled "Agency Meeting of the Atomic Mutual Stock Life Insurance Company," with an all-insurance cast which had rehearsed under the tutelage of a Lakewood Little Theatre instructor. The play was written by Roy G. Cleveland, Mutual Benefit Life. It poked fun at the confusion of an ill-supervised agency with slipshod

financing methods, spineless leadership and questionable sales tactics. There were two scenes, and finally a sales demonstration in which the agent wrestled his prospect to the floor and forced him to sign the application.

Schwemmm Talks on Market

Earl M. Schwemmm, Chicago manager of Great-West Life, offered "Sales Ideas for Today's Market." He emphasized the need for a selling philosophy and an inspiration from within. If the agent is properly sold on his product he will do a good job, Mr. Schwemmm believes. Mr. Schwemmm is more concerned about the agent's philosophy than his knowledge. He must learn to think straight, to take a long-range consistent viewpoint, to talk to a man in terms of his business problems and

benefits. Too many agents talk in general terms, he said.

Life insurance, if properly sold, is of more value to the buyer than the commission is to the seller, Mr. Schwemmm said. It is humanly sound, for it reaches its peak value when something happens in a person's life, it fits into life as life happens. In selling it, agents' should sell the destination, not the policy as such.

Policy Inspiring Document

"Life insurance in itself has everything necessary to inspire the salesman, and he should not have to depend on uninspired inspiration—that which comes from the outside," Mr. Schwemmm said. No other contract can give as much.

Today's most important word is "income," he said. Take advantage of it. A lot of life insurance in future is going to be sold out of capital as well as out of income. The idea of deferred income is a good one. High taxes and low interest make the value of life insurance stand out more than ever. As income goes up, income taxes become greater. Life insurance, however, puts tax-free dollars in the holder's pocket. The difference between earned dollars and tax-free dollars should be used in today's selling. To put \$1,000 in the bank, a man must earn much more than that amount.

Troth Talks on Motives

Paul Troth, manager of field service Home Life of New York, known as the "Walt Disney of life insurance," and famous for his illustrated talks before life underwriters' groups, showed the buying motives and consequent sales appeals to use. These sales appeals must be shifted until we find the one which brings out and sparks the motive to action.

For the average person, the greatest interest is in the home. Men generally buy life insurance for retirement income and income for family. The needs of a prospect should be paced through life.

Special entertainment was offered during the luncheon period, including strolling entertainers and a floor show.

Millionaire on Program

Rudolph L. Leitman, agent of New York Life at Detroit, a million-dollar producer, spoke in the afternoon on "Debunking the Million Dollar Producer." "There is no super-salesmanship in the kit of the million dollar producer," he said. "There is nothing in his kit that the majority of agents do not have in their kits—nothing that smacks of magic."

Million dollar producers make mistakes and lose sales, just like other agents, he said. They pull themselves up into the millionaire class by hard work, adoption of other people's methods and ideas that they can use, and accumulation of experience that gives them confidence.

He described his own experience, starting with \$100,000 paid-for business the first year with the usual low first-year income. The next year was as bad and he was disgusted. He studied every book he could find on the subject, made so many calls his feet hurt, and he wondered if he were in the right field. In the fourth year he qualified for the \$200,000 Club. He constantly sought for higher levels to solicit. Five years ago he really began to click, wrote over

\$500,000, then over \$650,000, and finally reached the million mark. In all that time he found no magic formula for selling life insurance, but merely profited by his experience, adopted ideas here and there that seemed sound.

Gives Some Sales Ideas

Mr. Leitman offered some sales ideas that he successfully applies. The agent always should seek to arouse curiosity immediately when he calls on a prospect, otherwise he will lose many profitable interviews. Get a gadget of some type and put it into the prospect's hands immediately, so he will have to ask what it is. That gives opportunity to tell him and to present the story. Find out the prospect's earning power and ability to buy. Sell ideas and not policies. Talk about what a man wants done for his family—what his dreams are in terms of money. Talk of his problems in personal terms, not technical.

Get all necessary information, then talk of his wife and children by name instead of by impersonal terms. Employ effective words that are positive, romantic, and impelling. Create pleasant word pictures that inspire. Get the prospect used to the application by putting it in plain sight early.

"Anyone producing \$500,000 or more needs a secretary," he said. "Time in the field is terribly important, and you need a secretary so you can be there. When you get a secretary, write letters like mad. At any excuse write a letter. Scatter your letterheads all over town. Thank people for an interview. Thank people for an application. Write and say you are coming. The good these letters do is invaluable."

Sales Consultant Talks

Vernon E. Vining, consultant Westinghouse Electric Appliance Division, Mansfield, O., nationally known author and speaker on merchandising, talked on "How To Get Stinkin' Rich." About 97% of all selling is based on being there, he said. Knowing all about what you have to sell has little to do with selling it. Such knowledge is only a tool. A carpenter doesn't boast about his saw, but many life agents boast of their knowledge of policies, he said. The average salesman puts too much value on what he has said. The only golden words in sales, are those which the prospect utters for they give the lead to what the agent should say.

The average salesman until he reaches the very top suffers from an inferiority complex because of poor analysis. He feels the prospect does not want to hear what he has to say, and if this is the attitude, the prospect probably won't want to hear it. "Why take it for granted that the prospect doesn't want to hear about life insurance when it is the answer to the prospect's dreams of a home, security, happy retirement, and all the rest?" Mr. Vining asked.

"It is his home, his security, and his retirement that the insurance provides. So why shouldn't he be interested?

Quiz Contest as Closer

A "Life Insurance King for a Day Contest" closed the congress. This was a quiz program applied to life insurance selling. H. S. Easton, Home Life, was master of ceremonies. Winner was Max Matson, Mutual Benefit, life member Million Dollar Round Table. He received valuable prizes and with Mrs. Matson was honor guest at a dinner.



THE LIFE INSURANCE CONTRACT IS—

—A financial instrument which rules the uncertainty out of human life to the greatest possible extent. Life will always be uncertain, of course; but life insurance dispels economic uncertainty for those who go on living.

—A thrift plan. Payment of each premium increases the cash value of the life contract—in later years by even more than is deposited.

—A diversified investment. While the average man must invest a few thousand dollars in a single investment, the man who invests in a life insurance contract invests a few dollars each in thousands of different investments, achieving safety through diversification.

—A depreciation reserve. The life contracts increasing value serves to offset the constant decrease in a man's economic value which grows out of the fact that as each day's earnings are collected they are subtracted from the total which will be earned across a lifetime.

—The best hedge against low interest and high taxes.

Insurance in Force January 31, 1947 — \$310,773,038

COMMONWEALTH
LIFE INSURANCE COMPANY
LOUISVILLE • MORTON BOYD, President

SHOW 1946 INSURANCE RESULTS

	New Bus.	New Bus.	1946 Inc.	1945 Inc.
Baltimore Life	\$ 28,616,593	\$ 20,703,080	\$ 13,765,365	\$ 8,742,929
Berkshire Life	37,448,575	30,109,086	25,440,223	21,006,529
Home Life, N. Y.	103,793,771	65,510,315	78,210,382	46,083,017
Industrial Life & Health	351,829,189	235,579,380	94,328,405	72,494,455
North American Life, Can.	58,453,388	41,622,905	40,480,147	27,206,014

Puckette Takes Insurance News Post at Dallas

DALLAS—John E. Puckette, former editor-president of the "Insurance Field" and more recently editor-in-chief of the "Insurance Index," has joined the "Insurance Record" of Dallas as managing editor and Lawrence Pool, formerly on the advertising staff of the "Reporter-News" of Abilene, Tex., has become promotion manager of the "Insurance Record."

Mr. Puckette, has had more than 20 years' experience in insurance trade newspaper work. He started as a reporter on the "Insurance Field" in 1926, served a year at New York as associate editor, and was advanced to editor in 1934. He resigned in 1943 to become editor of the "Insurance Index."

In his earlier days, Mr. Puckette was with the "State" of Columbia, S. C., "Courier-Journal" of Louisville, of which he became city editor and Daytona Beach "Morning Journal," of which he was managing editor. He was a field artillery officer in the first war.

Mr. Pool is a major in the air corps reserve. He served in the army air force more than 4½ years.

John C. Leissler, Jr., is editor-publisher of the "Insurance Record."

Quality Your Risks, Dingman Advises Indianapolis Agents

Many agents fail to realize how profitable it is to qualify their risks and how expensive it is when they do not, Dr. Harry W. Dingman, vice-president and medical director of Continental Assurance, told 200 members of the Indianapolis Assn. of Life Underwriters. "It is a waste of time to tell a man that there is something he cannot get," Dr. Dingman said. "So early in your interview you should meet the issue frankly. Not long ago an agent gave us a splendid looking app for \$100,000. Not knowing the rules on jumbo cases, he did not make arrangements for EKG and chest film. When he went back to his applicant to state company requirements in this respect, his client had gone to Florida for a month. That case was never completed.

How It Should Be Done

"The second case that we had recently illustrates the same problem in reverse. The agent came in my office at noon with an application, two medicals, EKG, chest film, and letter from the attending physician that he knew we would need. Meanwhile, inspection had been ordered and was already in our files. The agent walked away with his policy that very afternoon," Dr. Dingman said.

When a case is obviously substandard, the agent should avoid making any commitment on regular rates. The home office is the tough sale. The prospect may think he qualifies, but he does not know. The home office underwriter is a specialist in risk appraisal and does know.

Cooperation was never so freely given by companies. The fundamentals of underwriting are the agent's for the asking.

Would Permit Group Cover for N. C. Trade Associates

The new definition and standard provisions of group life insurance, plus group life insurance for trade associations is recommended by the North Carolina commission on insurance law revision.

The commission recommends a statute governing insurance company mergers,

and rehabilitation, and also including the uniform insurers' liquidation act.

The commission also recommends amending the agents' licensing law to reduce to statutory terms or principal qualifications of agents rather than delegating to the commissioner authority to prescribe the rules and regulations. The commission recommends enactment of the definition of franchise accident and health insurance as passed upon by National Assn. of Insurance Commissioners.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

Prudential Liable for Agents False Statements

In Stillson vs. Prudential, Georgia supreme court reversed the decision of the trial court followed by a divided decision of the court of appeals that in a case where an insurance agent had fraudulently made untrue and incomplete answers in an application for insurance the insurer is liable.

The insured was troubled with high blood pressure and had an enlarged heart when the Prudential agent took his application. Although the agent testified that he wrote the answers exactly

as given him by the insured, witnesses for the beneficiary testified that the policyholder gave the agent the correct answers, but that he filled in the application with different answers and covered what he had written with his hand while the insured was signing.

The court held that an agent in making out an application is acting for his insurer and is therefore estopped to make the mistake. The company made it possible for the agent to perpetrate the fraud and should suffer rather than the beneficiaries who are innocent parties.

The world wide standard of authority on up-to-date underwriting practices is *Risk Appraisal* by Harry Dingman.

HIGHLIGHTS

FROM OUR 103rd ANNUAL REPORT TO POLICYHOLDERS

FACTS AT A GLANCE

(All figures as of Dec. 31, 1946)

TOTAL INSURANCE IN FORCE.....\$2,218,000,000

Increase of \$188 millions over last year
Increase of \$1 billion since 1929

NEW LIFE INSURANCE ISSUED.....255,000,000

34% more than last year
More than in 1942 and 1943 combined

Income from all sources.....\$132,000,000

Increase of \$10 millions

Payments.....41,000,000

to policyholders, beneficiaries & annuitants

Added to legal reserves.....56,000,000

Increase of \$4 millions

Net gain from insurance operations.....18,000,000

Increase of \$1 million

Dividends apportioned for 1947.....12,000,000

Maintaining scale adopted in 1940

ASSETS.....\$848,000,000

Increase of \$70 millions over last year

LIABILITIES.....794,000,000

Includes policy reserves, funds on deposit, and dividends set aside for 1947

TOTAL SURPLUS FUNDS.....54,000,000

Tripled since 1929

MAJOR INVESTMENT HOLDINGS

U. S. Government Bonds.....	\$251,398,000	29.6%
Public Utility Bonds.....	156,494,000	18.5
Railroad Bonds.....	156,273,000	18.4
Mortgage Loans.....	98,728,000	11.6
Industrial Bonds.....	60,581,000	7.1
Preferred & Common Stocks.....	45,044,000	5.3
Policy Loans.....	33,051,000	3.9

The "Facts" presented in the adjoining column speak for themselves. They indicate beyond any doubt that 1946 was New England Mutual's record year in every respect. Some pertinent paragraphs from the report itself follow.

★ ★

"During the past several years we have pursued an aggressive investment program, not only in the search for sound new investments, but in the disposal of securities already in the portfolio . . . We have reinvested non-recurring capital profits, thus increasing the number of dollars which are earning interest on the one hand and strengthening various special reserves on the other . . . We have thereby lowered to 2.85% the average rate of interest we are required to earn on all insurance and annuity reserves. Our net interest return on mean invested assets in 1946 was 3.18%."

★ ★

"The health of the nation was extraordinarily good last year, a fact which was emphasized by the all-time low mortality of our own policyholder group, 40.3% of that expected on the net amount at risk."

★ ★

"Under the present dividend scale, which has been maintained for 7 consecutive years, most types of premium-paying policies receive an annually increasing dividend. Because of this normal increase and the greatly increased number of policyholders, the \$12 millions set aside for distribution in 1947 is 42% greater than the amount paid in 1941."

New England Mutual Life Insurance Company of Boston



George Willard Smith, President

Agencies in Principal Cities Coast to Coast

THE FIRST MUTUAL LIFE INSURANCE COMPANY CHARTERED IN AMERICA — 1835

EDITORIAL COMMENT

Getting Away from the \$100,000 Test

It is time for life companies of all sizes to recognize that the agent writing \$100,000 worth of life insurance in a year is no longer entitled to membership in any sort of leading producers club. In today's conditions, an agent writing only \$100,000 in business is not making a decent living for himself.

Less than 10 years ago the \$100,000 a year agent was still highly regarded. A production of that size brought him membership in most companies' leading producers organizations, a convention trip, and special consideration and respect from home office officials. He was truly a member of the inner circle. But today an agent should write at least twice that much business in order to be considered as unusual, outstanding or entitled to special recognition.

Most agency men say that the agent producing \$100,000 of business in a year is likely to make on the average \$1,500 in first year commissions. This figure is, of course, subject to change, because it depends upon the kind of policies written, the age of the policyholders, and other factors. On the whole, though, there seems to be general agreement that as a rough average \$100,000 of first year production brings the agent \$1,500 in first year commissions.

With the prevailing high and numerous taxes, with general living costs above any previously recorded figure, no agent writing \$100,000 can stay in the life insurance business on a full-time basis, because a production of only \$100,000 will not give him and his family a proper living. Living costs and expenses of all kinds have altered so

appreciably that the agent of today must produce \$200,000 in business annually in order to be on a safe and sound footing, and to be in a position to buy the things that he and members of his family want and need.

Agency officers of life companies should, more than anyone else, have a full understanding of the change that has taken place, and should abandon their old production standards, which were for the most part based on the \$100,000 a year agent.

Not long ago one of the representative companies made a study of agency commissions which revealed that any agent able to persuade one man a week to save \$2 a week, could earn \$2,450 in first year commissions. It was discovered further that if the agent continued at this same rate of production, without increasing it, he would have an annual income at the 10th year and thereafter, of \$4,180.

Expressed this way, a reasonable annual income, even for the new man, does not seem too difficult. The selling pace has been accelerated tremendously since 1941, so that even the newest agents are able to get into production much more quickly than was the case in the past.

To approach this question from a somewhat different angle, it seems to be obvious that life companies can no longer afford to send \$100,000 agents on costly convention trips, shower them with special awards, or reward them in other ways for a volume of \$100,000. The minimum figure should now be \$200,000.

Rally of English-Speaking Actuaries

The conference of English-speaking actuaries to be held June 21-26, 1948, in London to mark the 100th anniversary of Institute of Actuaries of London should have a special value for those who attend, no matter from what country. It is true that the International Congress of Actuaries conventions bring a greater diversity of nationalities, but the difference in languages as well as in methods of operation necessarily cuts down the value of these all-nations gatherings.

An English-speaking conference, on the other hand, should have as much international flavor about it as anyone could want yet without the tedium of translating summaries of each speaker's paper into a couple of other languages. Besides all this there is a fraternity about the actuarial profession that is

largely coextensive with the English language. Actuarial science was spread in this country in the early days mainly by Scottish actuaries. The same is true of Canada and doubtless of Australia. Consequently there is a basic similarity between methods used here and in England and Scotland, despite certain differences in practice.

The conference will furnish an opportunity to return the visit of the British actuaries who came over for the 50th anniversary of Actuarial Society of America in 1939. Unfortunately, Col. H. J. P. Oakley, president of the London institute, who headed the delegation, has since died, but there will be a number of that occasion's visitors who will be on hand to welcome the Americans and Canadians to this notable convocation.

Robert A. Wilson, assistant regional director of the State Farm companies and member of the Richmond, Va., charter commission, has received the U. S. Junior Chamber of Commerce distinguished service award as Richmond's outstanding young man of the year for services rendered in 1946.

Herbert J. Prouty of Travelers has been named chairman of the insurance division of the Red Cross campaign at Columbus, O.

Howard H. Stenzel, Columbus, O., district manager in charge of Prudential's three offices there, is celebrating the completion of 25 years of service.

R. William Archer, director of publicity for Southwestern Life of Dallas, has been appointed a member of the national speakers' bureau of Direct Mail Advertising Assn.

W. P. Stalnaker, vice-president and treasurer of Standard of Oregon, has been appointed to head the 1947 cancer drive there.

Raymond Olson of Chicago, president of Mutual Trust Life, is wearing a very infectious smile these days as he reaches for a box of cigars saying to a caller, "Please take one on my new daughter." This makes a quartette in the Olson household—three girls and one boy.

Wesley H. Becker, St. Louis manager of Union Mutual Life, has completed his seventh year of perfect records in the company's leading consistent production club. He leads all other members with a record of 364 consecutive weeks of production.

Cesare Maraccini of Madera, Calif., has been an app-a-week man for Pacific Mutual 22 years. Abram L. Geller, Houston, has 18½ years of app-a-week production to his credit. R. Earl Denman, Cincinnati, has a 15 year record.

O. J. Arnold, president of Northwestern National Life and **A. Herbert Nelson**, state manager for Business Men's Assurance, have been named on the Minneapolis charter commission.

O. T. Hogan, president of United of Chicago, and his wife left for Miami last week, where they will remain for about a month.

W. Howard Cox, president of Union Central Life, was the guest of honor at the 1947 Cincinnati dinner of Newcomen Society of England, which was held in celebration of the 80th anniversary of Union Central. Mr. Cox is vice-chairman of the Cincinnati committee of the society. He was presented by his Union Central associates with a replica of an ancient Celtic bowl in recognition of his 15th anniversary as Union Central's chief executive. John J. Rowe, president Fifth-Third Union Trust Co., Cincinnati, presided at the dinner, which was attended by the leading business and professional men of Cincinnati.

Roy Sheldon of the Russell L. Hoghe agency of Equitable Life of Iowa at Los Angeles, has just celebrated his 30th anniversary with the company. He was the first representative of the company in California and later was general agent at Los Angeles, but resigned to devote full time to personal production. He has been a Million Dollar Round Table member since 1942 and a life member since 1944.

Paul F. Clark, president of John Hancock Mutual, was subject of a prominent feature story in the Boston "Post." A 2-column picture was used and the story was captioned "Insurance Head Once Salesman.. Paul F. Clark Defied Tradition by Rising from Selling Ranks to Become Hancock President." It is an excellent characterization of Mr. Clark.

Sheldon B. Christensen and William K. Rawson, well known Los Angeles life men, have formed a new life insurance firm to be known as "Associate Underwriters."

Laurence P. Lindemann has been promoted to associate manager of the St. Louis-North office of Western & Southern Life.

A. E. Osterheld, general agent for Central Life of Iowa at Stoughton, Wis., has appointed **Manley Heisel** district agent at Janesville.

PERSONAL SIDE OF THE BUSINESS

DEATHS

John J. Heiser, 49, manager at Lansing, Mich., of Western & Southern Life, died of a heart attack while on a fishing trip. He took over management at Lansing a year ago.

William Starkey, 74, who retired in 1935 after 15 years with Metropolitan Life, died at Bellingham, Wash., after an extended illness.

Fred E. Mockett, 79, former resident of Lincoln, Neb., died at Bismarck, Mo. When he retired in 1941 he had rounded out 50 years as a life agent. He began with one of the oldest agencies in the city, operated by his father, John H. Mockett, Sr., but in later years had represented other companies. He was one of the organizers and a former officer of life underwriters association at Lincoln. He had acted as liquidating agent for one or more companies under appointment by the state insurance director. He also had much to do with creation of the state game and fish commission.

Dr. Mark Wyman Richardson, chief examiner of Equitable Society from his appointment in 1900 to his retirement in 1942, died at the age of 79 at Boston. Dr. Richardson, a graduate of Harvard medical school, examined over 50,000 people for Equitable. He did pioneer work in the control of typhoid fever and was active in the public health field.

William Urban, former assistant chief of Equitable Society's voucher section, died at the age of 81 after two weeks of illness. He was with Equitable from 1893 to 1939.

Makes 4-H Club Awards

The college of agriculture of the University of Nebraska announces that awards made by Security Mutual Life to 4-H club members include three trips to the annual 4-H club week at the university in June and 45 gold medals. Two youths received trips, financed by the company, to the national 4-H club congress in Chicago last December.

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Says Agents' Social Security Status May Go to Court

William Montgomery, president of Acacia Mutual, in a letter to THE NATIONAL UNDERWRITER expresses the opinion that in the end the courts may be called on to settle the social security status of commission agents who have been made eligible for coverage by the Social Security Board, yet are not accounted employees by their companies. Even if the Treasury Department were to adopt the broad Social Security Board employee definition, he doubts whether many companies would acquiesce.

Mr. Montgomery says that the strange position in which many life agents are placed because the Social Security Board will recognize them as covered while the Treasury Department will not is due not to Treasury definition, but to the life companies themselves. He writes that following passage of the social security act, a number of life insurance companies made presentations to the Treasury in support of their contention that under the terms of their agency contracts, their commission life insurance agents were not employed, hence were not covered by the act. The Treasury adopted the common law definition of an employee and since the company presentations established agents as not within such a definition, there was nothing for the Treasury to do but to rule such agents independent contractors.

Among the companies which recognize the employer-employee relationship in their contracts are Acacia Mutual, State Farm Life, Sun Life of Canada, and Security Mutual of New York.

Acacia a Pioneer

Acacia Mutual was apparently a pioneer in this action because, according to Mr. Montgomery, on August 1, 1944, by voluntary agreement with its full time ordinary agents, the company amended its contract to provide the employee relationship. Practically all of the ordinary agents agreed to the change at this time and both the company and agents commenced the payment of social security taxes. All full time ordinary agents employed since then have paid these taxes, Mr. Montgomery says. He states that since then at least three other companies have followed Acacia's lead and that in each instance, the method of changing the contractual relationship was that originated by this company and shared with others.

Surety Mutual has just done so and an interesting question is whether more will follow the lead of the handful which have so far qualified their agents. Such qualification is accomplished by inclusion in the contract of an agreement between company and agent that the agent is an employee. If the contract specifically provides for the employee-employer relationship, the Treasury recognizes that coverage is established. No specific "ruling" is necessary, but all "employee" companies have apparently consulted the Treasury before drawing up the contracts.

Several of the so-called "employee" companies offer two contracts, one for employees, one for independent contractors, though the option is often extended to only those agents under contract at the time the employee contract was adopted. With the employee contract usually go such stipulations as guarantees by the agent to make a certain number of calls each week and to submit a detailed weekly report. Older hands are often hesitant about submitting to this discipline.

Social security taxes are withheld from agent's earnings on the local level. Actual taxes are remitted from the home offices which makes for some additional clerical detail. Employee-agents are subject to withholding taxes and eligible for unemployment insurance.

Wash. Code Passes Senate After Battle

SEATTLE — The Washington Senate by a vote of 44 to 0 passed the insurance code bill after a 2½ hour floor battle.

An attempted filibuster by leaders of the "futile 15", left wing minority, ended suddenly after an ultimatum was served on the dissenters that if they continued their tactics an amendment to permit the insurance commissioner to recognize contingent liability of assessment mutual life policyholders would be stricken from the bill.

The fight on the floor stemmed from a move by Federal Old Line Life of Seattle, to require the commissioner to recognize as an asset the contingent liability of policyholders. Two special hearings had been held before the joint insurance committees and it was thought that the company had agreed to a compromise amendment which gives the commissioner discretionary authority to allow contingent liability to be carried as an asset. After the bill, with the compromise amendment had been reported out with a unanimous "do pass" recommendation, it developed that Federal Old Line was insistent that the discretionary feature be deleted.

Filibuster Action

The fight on the floor stemmed from the amendment, rather it took the form of a filibuster, led by Senator Rosellini, who at one time was attorney for Federal Old Line.

At the evening session Senator V. R. Lee, who introduced the bill presented a number of committee amendments, principally four major changes.

A number of amendments were presented, each accompanied by speeches from the floor. Each amendment was promptly tabled by the conservative majority. The battle waxed hottest when Senator Beck demanded that the entire bill, numbering 195 pages, be read.

The tedious task was undertaken and about 10 minutes later, a recess was called. The reading was then continued.

One of the final amendments deleted the provision making the office of insurance commissioner "nonpartisan."

The present practice of having each major party nominate a candidate is being continued. Still another amendment raises the salary of the commissioner from \$6,500 to \$7,500.

Washington Bar Assn. was successful in securing amendment of the adjusters' licensing section. Lawyers who from time to time handle a claim or loss adjustment for an insurance company are exempt from the requirement to secure an adjuster's license.

A compromise amendment to permit an assessment mutual life insurance company to list as an asset contingent liability of policyholders, subject to approval by the commissioner, is another important amendment agreed to by the joint senate and house insurance committees.

Doctors War Against Cal. Compulsory Bill

SAN FRANCISCO—The California Medical Assn., through Dr. S. L. McClelland, its president, has launched an attack at Governor Warren's new and revamped compulsory health insurance bill now before the legislature.

Dr. McClelland called the measure "cruelly misleading, medically dangerous and economically unsound." He said it plans a system of "politically controlled socialized medicine," it provides that the State Health Authority, which it creates would have the power to practically control all actions of doctors and hospitals, and the power to establish medical fees and hospital rates.

The bills (identical measures have been introduced in both houses) embrace a system of politically controlled socialized medicine financed by an inadequate 2% employer-employee payroll tax deduction which could only result in bankruptcy for the doctors and hospitals, or in a state deficit running into many millions of dollars, Dr. McClelland charged. Promised hospital care up to 100 days for each illness would be physically impossible to provide for many years to come, in view of the state's critical shortage of hospital beds, he said.

Persons desperately ill and needing

hospitalization would find hospitals jammed with patients with minor ailments or injuries, since only through hospitalization could the beneficiaries establish a claim. Office and home calls of the doctor would be permitted only after hospitalization.

Enactment of the bills would be a death blow to California Physicians Service with more than 400,000 members, and Blue Cross hospital plan with some 650,000 members, as the acts make no provision for recognition of medical and hospital service plans under the state system, Dr. McClelland said. Voluntary health insurance indemnity systems, maintained by insurance companies or employers, theoretically, would have the right to continue in business, but the state bureau would have the power of life or death over each insurance plan, he added.

State and local taxes would be increased because payment of half the premiums under the compulsory system would be a government liability in the case of public employees.

More than 1 million war veterans would be taxed arbitrarily as beneficiaries, despite the fact they are already entitled to federal government hospitalization, and receive free treatment for war-connected disabilities, not requiring hospitalization, from California Physicians Service under contract with veterans administration. The bills permit no exemption for veterans, Dr. McClelland asserted.

Palmer Speaks at Peoria

Speaking before the Optimists Club at Peoria, H. Bruce Palmer, superintendent of agencies for Mutual Benefit Life, hailed development of company union plans as the best solution to amicable settlement of labor-management problems. Chairman of the meeting was Norman E. Anderson, local Mutual Benefit general agent. Mr. Palmer maintained that there is too little desire on the part of the business man to solve within his own organization problems which have caused difference between labor and management.

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of OPPORTUNITY
for a high-grade man
RIGHT NOW is...**

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AMERICAN UNITED LIFE INSURANCE COMPANY

Established 1877

Indianapolis

NEWS OF LIFE ASSOCIATIONS

Tour Wis. to Build Up Interest in N. A. L. U. Meeting

MILWAUKEE—A caravan of six officers and directors of the Wisconsin Assn. of Life Underwriters is making a tour of the 11 local associations throughout the state in connection with publicizing and creating interest in the mid-year meeting of the N.A.L.U. in Milwaukee March 11-14.

Making up the itinerant group are R. M. Vetter, Madison, chairman of the Wisconsin voluntary caravan committee; Richard A. Imig, Sheboygan, state president; Harold Pettengill, Beloit, state

secretary; Bissell A. Bradley, Wausau, state treasurer; Frank McNamara, Wausau, state director and chairman of the veterans affairs committee, and William Zeinemann, Sheboygan, state director.

The cities visited this week and last, and the local presidents who will form the state reception committee at the N.A.L.U. mid-year, are:

Eau Claire, Chippewa Valley, George D. Holgate; Appleton, Fox River Valley, J. Bon Davis; Madison, R. M. Vetter; Manitowoc, Joseph Wolff; Green Bay, Northeastern, Clarence Nault; Racine, Racine-Kenosha, H. F. Gauchel; Beloit, Southern Wisconsin, R. L. Joiner; Sheboygan, N. C. Landgraf; Waukesha, Edward Hall; Wausau, Wisconsin Valley, Jerome Gillett, Jr., and Milwaukee, A. Jack Nussbaum.



THE PELICAN, we learn, has won another top award among life insurance field publications. That is almost as gratifying as the reports from Mutual Benefit fieldmen that THE PELICAN, in its forty-third year of publication, continues to inspire and aid them in the daily work of bringing Mutual Benefit service to their clients.

THE Mutual Benefit
LIFE INSURANCE COMPANY
Newark, New Jersey

GENERAL AGENCY OPPORTUNITIES

Victory Mutual Life's new business in 1946 increased 19½ percent over 1945. Company has general agencies open for Dayton, Springfield and Youngstown, Ohio; Rochester and Troy, New York and East St. Louis in Illinois. Liberal contracts for qualified men. Write

G. W. Jones, V. P.
Victory Mutual Life Insurance Company
2340 Eighth Avenue
New York 27, N. Y.

Ackerman Reviews Market Changes for Newark Group

A survey of market and competitive changes occurring today, and some practical suggestions on what life underwriters can do about them was presented by L. J. Ackerman, dean of business school of the University of Connecticut, at a meeting last week of the Northern New Jersey Assn. of Life Underwriters at Newark.

Mr. Ackerman said that the "gravy train" days are about over and there is increased competition coming from installment sales. Life insurance is selling on the installment basis of estates, pensions, or investments, he said, and there is going to be an unprecedented drive for all types of installment business as competition.

There will also be competition in the securities market. He pointed out that trading in stocks so far this year is almost double the volume for the same period last year, and an increasing number of small buyers are entering the market. Even more serious, he said, is the lure of foreign investments. New business ventures are increasing. The family of a man opening a business should not be asked to take his gamble too, some security should be given the family to balance that risk.

There is internal competition from the influx of new agents, veterans returning from the war, and new recruits. Mr. Ackerman mentioned that they increased the number of their full-time agents by 23% in 1945, and the 1946 expansion was even greater.

To counteract some of these trends, he suggested that long-range market planning be used more extensively. He said that agents should first cultivate a concentrated market, remarking that successful producers know the value of becoming the insurance man for a given firm, school or fraternity group.

The market should be exposed to an analysis of the need within it. The broader the need, the sounder the market, he said. It should be tested against excess spending power. He observed that life insurance is bought only after subsistence requirements have been met.

The market should be examined for financial stability. It should be a young market and not contracting.

Johnson Tells Tennesseans Virtues of Bigness

Because the growth of life insurance is a measure of the progress of families in building security through voluntary thrift, life insurance is a business in which bigness is a virtue, Holgar J. Johnson, president of the Institute of Life Insurance, said in a luncheon speech before the Life Underwriters Assn. of Tennessee at Nashville.

Life insurance is big only because it is made up of the individual life insurance program of 73,000,000 policyholders who, searching for security, have found in life insurance one of the most effective means of attaining it. The bigness disappears, however, when it is realized that there are more than 176 million individual policies, an average of more than five per family, he said.

"Essential to progress is competition and on this score again life insurance stands high. There is intensive competition between companies and between agents in the writing of new policies, in the creation of new types of policies and new services to meet new family needs and in the maintenance of a highly effective lifetime service to policyholders and their families. There is a high degree of competition in every other area of activity in the business, including investments. Every company is seeking constantly to lead in the most effective placement of its funds from the triple viewpoint of safety, earnings and service to the community," Mr. Johnson declared.

The bigness of life insurance assets does not represent a large fund invested in some remote place; those assets are at work in every community of the nation,

directly reflecting the accumulated funds of the policyholders of each community.

Cincinnati Sales Rodeo Scheduled for March 21

CINCINNATI—The annual sales rodeo of the Cincinnati Association will be held March 21 and is expected to draw 400. Speakers include Verlin Harrold, general agent Lincoln National, Fort Wayne; Eric Sleith, assistant director of industrial agencies Commonwealth Life; Howard Cammack, general agent John Hancock, Charleston, W. Va.; H. R. Hill, manager Life of Virginia, Richmond, and J. H. Head, attorney, and Maynard Conklin, trustee of Fifth-Third Union Trust Co., Cincinnati. L. B. Perin, assistant manager Fidelity Mutual, president, will preside. Door prizes include a radio, toaster, opening game baseball tickets, and electric iron.

Speaking on "What's Ahead in 1947," R. C. Cosgrove, general manager of the Crosley division of Aviation Corp., said the year would be a good one for business provided certain obstacles could be overcome. He listed these as a reversal in the upward trend of prices of hard goods, removal of government controls, stabilization of labor and reduction of taxes in the top income brackets and on corporations.

The association will hold its annual outing and golf tournament June 20 at Kenwood Country Club.

Northern California Caravan Opens at Sacramento

The Northern California caravan of the California Assn. of Life Underwriters, under the direction of H. N. Lyon, Fidelity Mutual, San Francisco, will hold its first meeting at Stockton, Feb. 28, followed by a meeting at Sacramento the next day. Other dates are: March 15, Fresno; March 21, San Jose; March 29, Chico; April 12, Reno.

Members of the caravan are James M. Hamill, Equitable Society, president California association, who speaks on "Association Activities"; Stanley B. Brooks, Guardian Life, "What a Life"; Allen E. Weimer, Metropolitan Life, Oakland, "Family Income Specialist"; W. R. Massingale, Fidelity Mutual, "Hoist the Jib Halliard"—a discussion on GI insurance; Robert E. Dye, New York Life, Oakland, "Peace—It's Wonderful"; George Mortensen, Equitable Society, Oakland, "Modern Programming."

Worry, Boredom Cause Failure, Ben Williams Says

ST. LOUIS—Any personal producer who will do what ought to be done when it ought to be done, whether he likes it or not, will get along and go places in insurance, Ben H. Williams, superintendent of agencies central division of Mutual Life, declared in his address on "The Guy in the Glass" at a joint luncheon meeting of the Life Underwriters Assn. of St. Louis and Accident & Health Underwriters of St. Louis.

He said there are too many agents bidding against each other, and that as a result the price of success in the business is much higher than it should be.

He contended that men do not fail in insurance through any failure in their prospecting methods, the approach or the way they close a sale but because of boredom with their job, or worrying about their finances. He said boredom and worry eat up more of the physical energy of a producer than anything else.

S. F. Round Table to Hold Annual Dinner March 7

SAN FRANCISCO—The Quarter Million Dollar Round Table, which will hold its annual dinner March 7, followed by a round table discussion, has had a membership increase of 20 despite withdrawal of those formerly associated

from the Bay, a H. W. president be held Mr. . the 35 age of year for and the average age pre Seatt Term Direct writers leg Service benefits already for su Pers The dat not be cept on termina Wom Mem SPO history ter M woman Sullivan qualifie \$282,82 Will taken ceding assume the mi Sustai An c taining Life U S S W o 14

February 28, 1947

LIFE INSURANCE EDITION

17

from the Oakland side of San Francisco Bay, and total membership now is 55. H. Washington Dodge, Mutual Life, is president.

The annual election of officers will be held March 13.

Mr. Dodge reported in a bulletin that the 35 old members produced an average of \$697,345 new paid business last year for average premiums of \$23,181, and the 20 new members produced an average volume of \$326,128 and average premiums of \$11,133.

Seattle Assn. Adopts NSLI Termination Resolution

Directors of the Seattle Life Underwriters have adopted a resolution favoring legislation amending the National Service Life Insurance act to restrict benefits to individuals having policies already in effect and to those eligible for such benefits by virtue of past service.

Persons in armed forces on and after the date of such an amendment should not be eligible to apply for NSLI except on the basis of service prior to the terminal date fixed therein.

Woman Round Table Member in Washington

SPOKANE—For the first time in the history of the Washington State Quarter Million Dollar Round Table, a woman has become a member. Alta M. Sullivan, Mutual Life's, Spokane branch, qualified by writing 59 cases totaling \$282,828.

William M. Cowley, Prudential, has taken over the duties of treasurer, succeeding A. Linus Pearson, who left to assume a position with Northern Life in the middle west.

Sustaining Membership Drive

An effort is being made to sell sustaining memberships in Ohio Assn. of Life Underwriters at \$10 each so as to

make the organization self-supporting and independent of other organizations, and to undertake a program of superior service. The solicitation is being made by the finance and budget committee headed by Francis P. White.

List Notable Speakers for New Orleans Congress

The 1947 sales congress of the New Orleans Assn. of Life Underwriters will be held March 3. Seth W. Ryan, Guardian Life, sales congress chairman and vice-president of the association, will preside at the morning session. Charles G. Coyle, Aetna Life, president of the association, will have charge in the afternoon.

Speakers are: Theo. M. Green, Massachusetts Mutual, Oklahoma City, "For Sale—Food, Clothing and Shelter"; J. P. Byrne, training supervisor Life & Casualty, "Improved Selling Technique"; John A. Witherspoon, vice-president and director of agencies of Volunteer State Life, "What Makes Them Buy"; Charles J. Zimmerman, director of company relations of L.I.A.M.A., subject to be announced.

Philip B. Hobbs, N.A.L.U. president, addressed the New Orleans association last week.

Two Washington Rallies

Combining post-meeting open forums and a program designed to unify state association objectives, the Seattle Life Underwriters Assn. conducted meetings at Everett and Bellingham.

Clarence L. Hagstrom, Massachusetts Mutual, Seattle, state resident, spoke on "State Association Activities for Underwriters," and Robert G. Jones, National of Vermont, Seattle, on "Sales Ideas from the National Cleveland Convention."

Ernest E. Ray, Penn Mutual, Everett, was in charge of the arrangements committee there, and Randall Payne, Metropolitan, at Bellingham.

Cleveland—Mrs. Marion Eberly, Institute of Life Insurance, will address the women's group at a luncheon March 6 to which Cleveland agency heads are invited.

Syracuse—Fred H. White, Connecticut Mutual and president Buffalo association, spoke on "How I Licked Prospecting."

Decatur, Ill.—Horace R. Smith, Purdue marketing course head, is addressing a luncheon meeting here Friday.

Niagara Falls, Ont.—At the February meeting, President Russ Walker and Vice-president Jack Scott reported on the annual meeting at Toronto. An invitation was extended by Fred Darker to visit the Niagara Falls, N. Y., association March 12.

Bronxville, N. Y.—J. P. Fordyce, president of Manhattan Life, stressed the agent's responsibility to the existing policyholders as well as his obligation to his prospective policyholder in addressing a luncheon meeting of the Westchester county association. Charles A. Egenolf, president, presided and Andrew P. Long, Manhattan Life general agent at Mount Vernon, introduced Mr. Fordyce.

Peoria—Importance of including a human interest feature in life insurance sales talks was stressed by V. J. Harold, general agent Lincoln National Life, at a luncheon meeting.

"Too often the salesman cuts so many corners on his sales approach," the speaker said, "he leaves only the technical, mathematical details, which are not interesting to the prospect."

Also in Peoria to attend the meeting from Lincoln National home office, and to participate in a sales conference at the Peoria agency, was W. C. Brudi, superintendent of agencies, E. R. Small, agency manager here of Lincoln National, introduced the speaker.

Boston—With the more definite trend toward rational buying, high pressure selling with heavy emotional appeals designed to drive the prospect into buying is likely to increase resistance, Edward C. Bursk, professor of marketing and advanced management, Harvard School of Business Administration, told

a luncheon meeting. "On the other hand, low pressure selling, in which the prospect to all intents and purposes is allowed to reach the buying decision under his own power, and principally through a rational process of thought, is much more likely to be effective."

Washington—Nominations for directors were in order at the monthly meeting of the District of Columbia Life association, in addition to an address by President Phillip Hobbs of the National association.

Kansas City—Will F. Noble, general agent of New England Mutual at Omaha, spoke on "Life Insurance is Good Property."

Portland, Ore.—Leon Gilbert Simon, Equitable Society, New York, addressed a special luncheon meeting on business insurance. He described the great possibilities of using life insurance as a means of protecting business against death of a partner or key executive.

Richmond—Phillip B. Hobbs, N.A.L.U. president, spoke at a luncheon Feb. 26 on "The Outlook for 1947."

Harrisburg—Karl H. Kreder, Metropolitan Life, Allentown, spoke on "Shepherds of Security." Harry Hunt and Herbert Smith were elected directors to fill unexpired terms.

San Jose, Cal.—Samuel W. Coombs, associate manager of Equitable Society in Oakland, talked on "Business Insurance, Agreements and Taxes." He stressed the importance of having the proper agreement drawn and also the

competent assistance of an attorney and trust officer.

It was announced the sales congress for northern California would be held in San Jose March 21.

Columbus, O.—Edward M. LeGendre, assistant director of insurance service of veterans administration, and Wayne W. Putnam, manager Columbus field office, discussed recent changes in National Service Life Insurance and new provisions under the social security act.

South Bend, Ind.—Horace R. Smith, director of the life insurance marketing institute at Purdue University, spoke on "Organizing for Increased Production in 1947."

Hartford—Mitchell M. Rosser, Million Dollar Round Table member from the local agency of Phoenix Mutual, spoke on "Angle Irons."

Wausau, Wis.—Clayton J. Crooks, attorney, spoke on "Wills as They Affect Life Insurance and Life Underwriting" at a luncheon meeting of the Wisconsin Valley association.

Appleton, Wis.—Dr. Louis Warren, director of the Lincoln Foundation, sponsored by Lincoln National Life, spoke on "Abraham Lincoln" at a dinner meeting of the Fox River Valley association.

Waterbury, Conn.—Richard N. Ford of L.I.A.M.A., told the story of the national quality award at a luncheon meeting Feb. 20, and described how agents can qualify.

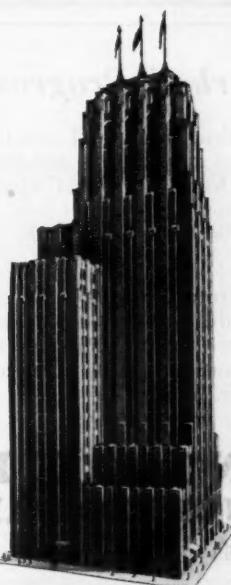
Mr. Ford, assistant director of publi-

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Accident, Health and Hospitalization forms, when added to an excellent series of Life Policies, are powerful aids to new appointees.

Managerial opportunities for qualified men are now available in the newly-opened states of ILLINOIS, INDIANA, MICHIGAN and OHIO.



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Guardian Life
Insurance Company

Madison 1, Wisconsin

cations of the association, is in charge of processing the award applications. "Already," he said, "the heavy influx of applications predicts that 1947 will be a banner year."

Green Bay, Wis.—At a luncheon meeting of the Northeastern Wisconsin association the movie, "Search for Security," was shown.

Roanoke, Va.—Horace F. Sharp, New England Mutual, Richmond, president Virginia association, spoke. He was accompanied by Fred H. Bunnell, Atlantic Life, past president of the Richmond association.

Seattle—Modern selling methods and pointers on business insurance were outlined by Leon Gilbert Simon, Equitable

Society, New York, at a luncheon meeting. An open forum followed.

Utica, N. Y.—"Psychology of Selling Life Insurance" was discussed by William E. Kendall of Syracuse University.

Grand Rapids, Mich.—E. P. Balkema, Northwestern National Life, Detroit spoke on "Selling Today for Tomorrow." John B. Ames, Lincoln National, Detroit, president of the state association, spoke on projects of state and national organizations.

Lawrence, Kan.—Raymond T. Wright, Provident Mutual, Million Dollar Round Table member spoke. Plans were announced for showing the film, "The Search for Security," before school and service club groups and distribution of

the color cartoon booklet, "The Man Who Runs Interference," to all children of the public schools.

San Antonio—The women's division had as guests the out-of-city women who were attending the San Antonio session of the Tri-City Sales Congress, and heard a talk by Gladys Brockus, California-Western States Life, Corpus Christi, who produced \$1 million of business in 1946.

Dodge City, Kan.—Justin Fortune, Kansas City Life, discussed the C. L. U. program. Dennis Lardner, Kansas Employment Service, talked on the employment program in Kansas. It was voted recently to continue the radio advertising program for another year.

A THREE-FOLD RESPONSIBILITY

Today's career life underwriters are faced with a three-fold responsibility.

1. To bring to as many American homes as possible the benefits of adequate life insurance protection;
2. To cooperate as a part of the institution of life insurance to combat inflationary talk and tendencies;
3. To counsel with all war veterans and urge that they retain their National Service Life insurance.

Upon the execution of this three-fold responsibility today depends, to a great extent, the prestige and increased usefulness of tomorrow's career life underwriters.

Equitable Life of Iowa Founded 1867

HOME OFFICE

DES MOINES

Another Year of Marked Progress

1946 was another year showing excellent gains and substantial progress for Atlantic Life. New business amounted to \$22,276,303, a 43% gain over 1945. Insurance in force totaled \$174,054,177, increasing by more than 13 millions over the previous year. The Company's average size policy was higher than at any other time within the past fifteen years.

Announcement of a new Pension and Group Insurance plan means increasing opportunity for Atlantic Life representatives in 1947 and the years ahead. This, together with the Company's salary and incentive commission plan of operation, offers a real opportunity for the career Life Underwriter.

ATLANTIC LIFE INSURANCE COMPANY

Organized 1899—Richmond, Virginia

Directing the Way toward Financial Security
since the Turn of the Century



LIFE AGENCY CHANGES

P. W. Schenck, Jr. Provident Mutual General Agent

Provident Mutual Life has named Paul W. Schenck, Jr., as general agent in partnership with his father, Paul W. Schenck at Greensboro.

In 1912 Paul W. Schenck opened the first office of the company in North Car-



P. W. Schenck, Jr.



P. W. Schenck

olina. Last year the agency attained insurance in force of over \$20 million and wrote \$2 million in new life insurance, a substantial gain over 1945. It is the company's largest southern agency.

Mr. Schenck, Jr., like his father, attended the University of North Carolina. In 1945 and in 1946 he attained membership in the company's top-flight agents' group, the Provident Mutual Round Table.

Howard Boston G. A. for Fidelity Mutual

Lawrence L. Howard has been appointed general agent for Fidelity Mutual Life at Boston, with offices in the



LAWRENCE L. HOWARD

Chamber of Commerce building. Gerald M. Doherty, former general agent, will engage in personal production and will serve as associate general agent.

Mr. Howard is president of the General Agents & Managers Assn. of Boston, a former director of the Boston Life Underwriters Assn. and former

president of the C.L.U. chapter there. He entered life insurance in 1934 as sales promotion manager for Columbian National.

Krauel and Smith Take Over Agency

LOS ANGELES—A. C. Krauel, di-rector of sales of the Paschal-Gist gen-



Jens Smith

rector of sales of the Paschal-Gist gen-

eral agency, and Jens Smith, manager of agencies of Pacific Mutual Life, have been named general agents and will succeed the late Wooster Gist as head of the agency, which was opened many years ago by the late John Newton Russell. The agency will be known as the Krauel-Smith agency.

Mr. Krauel went with the company in 1936 as an agent in the agency he now heads, and in 1942 was made director of sales.

Mr. Smith joined Pacific Mutual in 1910, as cashier in one of the Chicago general agencies. He was appointed traveling agency auditor in 1913, and was a general agent in Chicago from 1916 to 1919, when his agency was merged with the branch office, with which he remained affiliated until late in 1931. Then he was called to the home office as manager of agencies.

Philpott Federal's St. Louis Manager

ST. LOUIS—Frank R. Philpott has become manager of Federal Life here, succeeding Carlos Harrison, who resigned to become a unit manager in the home office agency of General American Life.

Mr. Philpott, who held a one-third interest in the corporation holding the local general agency contract with Columbian National Life, has sold his interest in that agency to his former partners.

Before joining Columbian National about three years ago, Mr. Philpott was general agent for Monarch Life here for some 14 years and had recorded consistent gains. With Columbian Na-

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Take complete charge of the sale and promotion of all lines of group and annuities, including group permanent, for a large eastern company.

Territory includes 24 northeastern Ohio counties, with headquarters at Cleveland. Guaranteed salary with incentive contract.

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ional he was top personal producer in the agency for 33 months and most of the time was the company's national leader.

Last year the agency was national leader in Columbian National.

He led all the company's agents throughout the country in personal production of life insurance in 1944. He also has been a leader in production of accident and health insurance.

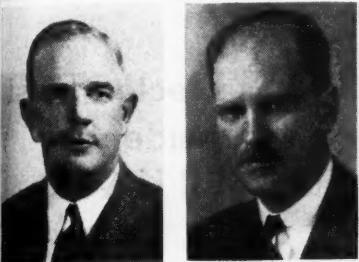
He is past president Accident & Health Underwriters of St. Louis.

Emery Huff, superintendent of agencies of Federal Life, was here Monday to confer with Mr. Philpott.

N. E. Mutual Names Two General Agents

New England Mutual has designated Roswell W. Corwin, manager of the former Baldwin agency in New York City, and William L. Wadsworth, agency manager in Buffalo, general agents, effective March 1.

Mr. Corwin, who entered the business immediately after graduating from La-



W. L. Wadsworth R. W. Corwin

ayette College in 1925, joined New England Mutual in 1932 and in three years was made agency supervisor. He was agency manager following the death of Lathrop E. Baldwin in 1945.

Mr. Wadsworth has been directing the Buffalo office for six months, following C. A. Hinkley's retirement. With New England Mutual for 30 years, he was attached to the Boston-Summers agency, where he was a leading producer and agency supervisor before joining the home office staff as field supervisor.

Prudential Opens District Agency at Morristown

In Morristown, N. J., Prudential has opened a district office. Located in the Park Square building, Harry H. Wingate is district manager. Four assistant district managers and 31 agents have been assigned Mr. Wingate. An assistant district manager and eight agents will operate from detached offices in Washington, N. J., and Clinton.

The new manager has been associated with Prudential for 20 years. After serving as an agent and an assistant district manager for four years at Bridgeport, he was transferred as assistant district manager to Pitman and later to Salem. He was advanced to a district manager at Dover in 1939.

James N. Sullivan, who has been assistant district manager of the No. 1 district office in Washington, D. C., has been promoted to district manager at New Orleans. He replaces George H. Jackson, who has transferred to Greenville, S. C.

Mr. Sullivan graduated from the University of Dayton in 1931. He was with the "Washington Post" as supervisor of circulation and with the "Washington Times-Herald" for five years in a similar capacity. In 1939 he joined Pruden-

tial he was top personal producer in the agency for 33 months and most of the time was the company's national leader.

Last year the agency was national leader in Columbian National.

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He is past president Accident & Health Underwriters of St. Louis.

Emery Huff, superintendent of agencies of Federal Life, was here Monday to confer with Mr. Philpott.

Conservative Life Opens Up in Tex.; Hancock Named

Conservative Life of Wheeling, W. Va., which was purchased last June by a group of Dallas men, is now establishing general agencies in Texas, having been recently licensed in that state.

A branch has been opened in the Kirby building, Dallas, with J. D. Hancock, Jr., as home office representative for Texas. Principal owners of Conservative Life are Dallas Rupe & Son, Dallas investment bankers, and Rogers Lacy, Dallas and Longview oil capitalist. Dr. Frank K. Rader is president.

Mr. Hancock was formerly connected with Dallas Rupe & Son. He graduated in the school of business of Southern Methodist University, and got his master's degree at Harvard in 1937. He was in charge of the San Antonio sales office of Continental Supply Co., and later was general supervisor of schedules with North American Aviation Co. He joined Dallas Rupe & Son last year.

Franklin Life Moves in Southern California

Jay C. Carlisle has been named general agent in North Hollywood for Franklin Life. He has been with Pacific Mutual in Los Angeles.

The Pugh-Dudgeon agency has been appointed general agent in Los Angeles. Richard O. Pugh has for 17 years represented the Sun Life of Canada in Los Angeles. Edward C. Dudgeon was for 18 years with the agency department of Sun Life of Canada and, prior to entering the Canadian army, served as assistant superintendent of agencies in charge of western United States. Since discharge, he has represented Sun in Los Angeles.

J. W. Bucklin, general manager of Valley Insurance Service, has been appointed general agent in Fresno.

John Hancock Makes Several Shifts in New England

Edward H. Duffy, now regional manager of John Hancock for northern New England, will become district manager at Brockton, Mass., for the company, succeeding Frank J. Gildea, who will retire under the company's pension plan.

George B. Thompson, Jr., now district manager at Worcester, Mass., has become regional manager for northern New England. He is succeeded at Worcester by Bernard J. O'Donnell. Since his return from service he has been acting district manager at Brooklyn during the illness of District Manager Parr, who has now returned to resume his duties.

Sylvan F. Weill, assistant district manager at Hempstead, N. Y., will become district manager at Columbus, O.

Norton L. A. Group Manager

Hal C. Norton has been appointed district manager of the group sales division of Sun Life of Canada at Los Angeles.

He started with Sun Life in Portland,

Boston Actuaries to Meet

The Actuaries Club of Boston, of which Harold R. Lawson is chairman, will meet March 7 to discuss these topics: (1) Summary of mortality experience and new business; (2) group insurance; (3) standard valuation and non-forfeiture laws; (4) agents' pensions and group insurance; (5) compulsory accident and sickness insurance; (6) company practices with respect to lapsed policies; (7) substandard life insurance under the new laws.

Ore., 17 years ago, and later was at Seattle, Minneapolis, Detroit, Cleveland, Cincinnati and Philadelphia. He entered service in 1944 and on his discharge, following a short rest, was transferred to Los Angeles.

Jack Laffer Supervisor

Jack Laffer, son of Henry W. Laffer, Wichita general agent of Northwestern Mutual, has been appointed agency supervisor of the western Kansas general agency. He joined the agency following his discharge from the army air corps

in 1946, has just completed the company's "career school" and in his first nine months qualified for the bronze button.

Move Crosthwaite to N. M.

Security Life & Accident has appointed W. N. Crosthwaite manager at Portales, N. M. He was transferred from Abilene, Tex.

Named Frankfort, Ind., Manager

Ralph B. Proud has been named Frankfort, Ind., manager of Western &



The American Home ... Citadel of Democracy

Some years ago, there was a total lack of emphasis on the building or purchase of a home. Now, like flood waters, the acute housing shortage has reached a peak and slowly, ever so slowly, it will subside. The dearth of dwellings has made every American home conscious. They are mindful of the need for adequate home protection and want to see their stake in the future safe-guarded.

The Ohio National was aware that American home owners needed mortgage insurance. Company actuaries conceived, and put into operation, the now universally popular Home Protection Plan. The plan has proved itself a success in every corner of our land. It guarantees full payment of the mortgage in the event of the owner's death and will make a happy home life possible for many widows and their children.

This is an example of how The Ohio National institutes the type of plan that is most beneficial to American citizenship.

THE OHIO NATIONAL LIFE INSURANCE COMPANY

CINCINNATI, OHIO

T. W. APPLEBY, PRESIDENT



**THE OHIO NATIONAL
LIFE INSURANCE COMPANY**

CINCINNATI, OHIO

SUPERINTENDENT OF AGENCIES WANTED

A VERY UNUSUAL OPPORTUNITY

Forty year-old midwestern life insurance company has an excellent opening for an experienced man capable of assuming responsibility as superintendent of agencies. In reply state age and experience. Send picture. Strictly confidential. Address K-68 c/o The National Underwriter, 175 West Jackson Blvd., Chicago 4, Ill.

Southern Life Co. to succeed R. M. King, recently transferred to Vincennes. Mr. Proud was formerly associate manager at Terre Haute.

Callaghan to Sioux Falls

Ed Callaghan has been appointed manager at Sioux Falls, S. D., for North American Life & Casualty.

L. M. Klein Okla. Supervisor

Lawrence M. Klein has been appointed supervisor of the Oklahoma City agency of John Hancock Mutual Life. He is a son of E. L. Klein of that agency. He started with Reliance Life and in 1938 joined John Hancock. In 1946, his first full calendar year since

returning from three years in the army, he led the Oklahoma City agency in ordinary production with \$355,700. Including group and annuity credits and some business he placed outside the company, his production exceeded \$450,000.

Dickson Named at Seattle

Aetna Life's Seattle office has added Howard K. Dickson to its group department. He replaces C. R. Igoe, who left for Phoenix late in January to become manager of the group department there.

Wright Is Durham Manager

K. C. Wright, who has been district manager at Morganton, N. C., for Jeff-

erson Standard Life, has been promoted to manager at Durham, N. C. He is succeeded at Morganton by W. H. McKinney, formerly special representative at Asheville.

McLellan to Seattle

Hubert McLellan, who has been in Los Angeles for some time as a manager of Metropolitan Life, has been named manager at Seattle.

Yates Advances Aids

John W. Yates, Los Angeles general agent of Massachusetts Mutual Life, has appointed John T. Grant supervisor of district agencies and Robert J. Dunegan district manager for Ventura county.

Hill Is Peoria Assistant

E. R. Lehman, Peoria manager of Metropolitan Life, appointed John Hill assistant manager, one of three in this area. Mr. Hill has been with Metro-

politan at West Frankfort, Ill., since 1943. His production for the past three years has been in excess of \$250,000. He was a speaker at the 1945 sales congress of the Peoria Life Underwriters Assn.

Kovach to Franklin in Pa.

A. J. Kovach has been appointed district manager in the eastern Pennsylvania division of Franklin Life with headquarters at Philadelphia. He was formerly assistant district manager for John Hancock there.

Moss Named at Roanoke

Dan Moss has been appointed general agent for Roanoke and southwest Virginia by Protective Life.

Named Indianapolis Assistant

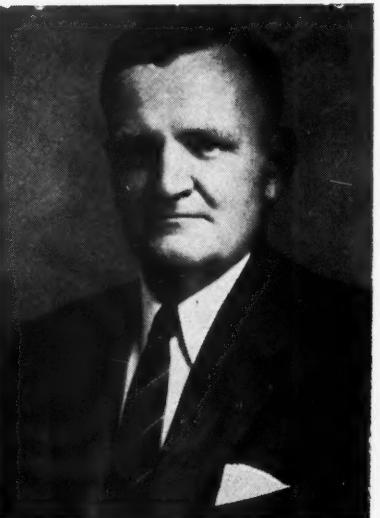
William C. Wildman has been named assistant manager of New York Life at Indianapolis. He started with the company as an agent in February, 1946.

AMONG COMPANY MEN

E. L. Phillips Succeeds Brother as Gulf Life Head

T. T. Phillips, who has been president of Gulf Life of Jacksonville since 1911, has now been elected chairman and his brother, E. L. Phillips, is the new president.

The new president joined Gulf Life a



E. L. PHILLIPS

filled by other persons. Mr. Austin is general counsel of Midland National.

Dobbs Elected First Vice-President of Industrial L. & H.

R. Howard Dobbs, Jr., has been elected first vice-president of Industrial Life & Health of Atlanta. He is presently treasurer and will continue in that office.

Mr. Dobbs has been treasurer since 1933. He joined the company in 1925 in the clerical department, later was elected assistant treasurer and a member of the board. He served in the army air forces from 1942-1945 and is a graduate of Georgia Military Academy and Emory University.



R. H. DOBBS, JR.

Three Promoted by Lincoln-Income

John T. Acree, Jr., formerly secretary-treasurer of Lincoln-Income Life, has been promoted to executive vice-president; Jewell W. Martin, assistant treasurer, to treasurer, and R. H. Ellis, assistant secretary, to secretary.

Mr. Acree has been with the company 23 years, starting as an office boy in the home office. The next year he worked as an agent in Oklahoma City while attending the university. Upon his graduation in 1930 he was called back to the home office in the claim department. Later he was transferred to the accounting department, and in 1931 he was made manager of the ordinary department, then just established. In 1934 he was elected vice-president in charge of ordinary in the then Lincoln Life & Accident. When that company and Income Life consolidated in 1936, he continued as vice-president in charge of ordinary production until 1941, when he was elected secretary-treasurer.

Mr. Martin has been with the company 17½ years, starting in the accounting department of the old Income Life. He was later made cashier of the Louisville district office, and in 1937 was promoted to assistant treasurer in charge of industrial accounting.

Mr. Ellis joined the company 16 years ago in the claim department and was later transferred to the ordinary department as accountant. In 1937 he was elected assistant secretary and man-

Shenandoah Life INSURANCE COMPANY, INC.

ROANOKE 10, VIRGINIA • PAUL C. BUFORD PRESIDENT



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- ACCIDENT
- HEALTH
- ANNUITIES
- HOSPITALIZATION
- GROUP
- ALL-WAYS
- REINSURANCE

Centrally Located—
Serving the Nation
from Coast to Coast



W. T. GRANT
Chairman

J. C. HIGDON
President

BUSINESS MEN'S ASSURANCE COMPANY

KANSAS CITY 10, MISSOURI

ager of the ordinary department. He will continue that work.

Langpaap Is Now Agency Manager

Otto Langpaap, veteran inspector of agencies of West Coast Life, becomes agency manager in a readjustment of duties following the recent retirement of Gordon Thomson from the post of executive vice-president. Advancement of H. J. Stewart from vice-president and manager of agencies to executive vice-president was announced last week.

Mr. Thomson had been with the organization 37 years. He started with the old San Francisco Life which later was merged with West Coast.

Thomson Native of Scotland

A native of Scotland, where he was educated as an actuary in University of Edinburgh, Mr. Thomson was "imported" to San Francisco in 1911 to become secretary-actuary of San Francisco Life. He went along in the companies' merger, with varied duties in addition to those of actuary. He later served on the investment and finance committees and for several years was vice-president in charge of agencies. Several years ago, when H. J. Stewart was appointed manager of agencies, Mr. Thomson devoted all his attention to investments and supervising the actuarial department as executive vice-president.

Cecil R. Fuller has been appointed an inspector of agencies with headquarters at Tacoma and William A. Reiche was advanced to controller.

Seven Promoted at Home Office of Jefferson Standard

O. R. Brockmann, assistant secretary since 1945 of Jefferson Standard Life, has been promoted to coordinator. Mr. Brockmann has been with the company since 1923 and for several years served as auditor.

H. I. Bell has been named assistant secretary. He started with Jefferson Standard in 1919 and for the past several years has been manager of the change department.

Charles M. Rives, Jr., has been promoted to manager of the policyholders service department. He has been with the company since 1934. Guy B. Phillips, Jr. has been appointed manager of the premium notice department. Mr. Phillips has been with the company since 1938. Z. E. Whitley has been promoted to assistant manager of the claim department. Abner G. Crothers has been made manager of the branch office personnel department. Wayne Sudderth has been transferred to the home office from Oklahoma City and appointed mortgage loan field supervisor. Mr. Sudderth has been in mortgage loan inspection work since 1943.

Sunset Life Promotes Woody, Davidson, Bench

Neil Woody, executive vice-president, has been elected president of Sunset Life. Tom Holman, who originally accepted the presidency on a temporary basis, has resigned that job and continues as chairman. Elected vice-presidents are James I. Davidson, actuary and Howard C. Bench, superintendent of sales. Earle G. A. Warren is now assistant vice-president.

Mr. Woody, Mr. Bench and Mrs. Davidson have been with the company since it started. Mr. Warren, who recently joined the company, is an actuarial graduate from the University of Manitoba.

Makes Staff Promotions

New England Mutual has made several staff promotions. J. P. Chamberlain, a former marine who has been with the company 16 years, becomes manager of the addressograph department. H. D. Kimball, an army veteran, now is as-

sistant manager of the control department. R. A. Kennedy, connected with the company for 24 years, was named assistant manager of the renewal service department. R. S. Andrews and F. W. French, Jr., have been named senior underwriters.

New Commonwealth Life Officials Experienced Men

Richard M. Sellers, recently named vice-president and actuary of Commonwealth Life, joined the company in 1936 as assistant actuary and in 1942 was appointed actuary.

He began his life insurance career in the actuarial department of a company in Texas, his native state, which he left to complete his studies at the University of Michigan. Afterward he joined Commonwealth. He is an associate in both American actuarial societies and for the last five years has been a member of Commonwealth's operating committee.

Victor B. Gerard, appointed manager of the bond department, was previously assistant to the president. Before joining the company he was with the New York investment and banking firms of Biggs, Mohrman & Co., and Brown Bros. Harriman & Co. He became associated with Commonwealth after four years of naval service during which he was detailed as a lieutenant commander to the maritime commission as a member of the price adjustment board.

Continental Expands Underwriting Division

Continental Assurance, Chicago, has expanded its underwriting department to speed clearance of business. Personnel has been expanded 100% with the addition of new employees and return of former employees from service. Submissions are now completely processed in the underwriting department and released to policyholders entirely ready for issue.

Promotions of three long time employees have been made and a new member has been added to the medical staff.

Robert J. Campbell was elected assistant vice-president. He has been with Continental 24 years in an underwriting capacity.

C. Edwin Carlson was made chief underwriter and George B. Wolf appointed associate underwriter.

The new staff member is Dr. Clifton L. Reeder, who becomes medical director.

Promote Six at Home Office of Washington National

Six home office promotions are announced by Washington National. F. A. Eggler, manager of the accident and health claim division, and William P. Wisehart, manager of the ordinary underwriting and issue division, have been named assistant secretaries. Emil G. Graff has been promoted from assistant manager of the mortgages and real estate division to assistant treasurer.

Jean G. Munro has been made assistant auditor, Katherine Yunger becomes manager of the industrial policy issue division, and James T. Helverson has been named manager of the accident and health underwriting and issue division.

Scranton Life Promotions

Robert J. Weichel has been promoted to secretary and associate actuary of Scranton Life; Willard F. Kellerman has been appointed assistant secretary and registrar and Maurice H. LeVita has been appointed actuary.

Webb American Home Counsel

Robert Webb, Topeka attorney, has been named counsel of American Home Life, succeeding the late W. B. Lorraine.

COMPANIES

Security Mutual, Neb., to Build New Home Office

LINCOLN, NEB.—Security Mutual Life, following the sale of its present home office building at 12th and O streets, has announced plans to build a new home office building on a site not yet decided. The building will be devoted exclusively to home offices purposes, rather than being an office building type. The 11-story building, present

home office, was sold to a private corporation in order to keep regional headquarters of veterans administration in Lincoln. The company will move to temporary quarters and construction on the new home office will begin within from two to five years.

Million Dollar Addition to Home Office Announced

ATLANTA—Construction of a \$1 million addition to its home office was announced by Industrial Life & Health. Work is to begin in March. The building will be seven stories and basement,



"It's 108 degrees in the shade . . . shall we strike while the iron is hot?"

Bankerslifemen Have a Fine Sense of Appropriateness

You won't find Bankerslifemen using an old saw to justify an inappropriate presentation despite the cartoon above. They have been trained to find or create a favorable situation in which to tell their story. Furthermore, their training has shown them how to draw from their broad group of offerings the one which is right for a particular set of circumstances.

Trained agency managers introduce the carefully selected Bankerslifemen to planned instruction that will carry through their first four years and will be supplemented with refresher schools as conditions warrant.

That's a reason why Bankerslifemen always seem to know what is appropriate . . . making them the sort of insurance underwriters you like to meet as friends, fellow workers, or competitors.

BANKERS Life COMPANY DES MOINES

CALIFORNIA OPPORTUNITY FOR EXPERIENCED GROUP SALESMAN

Company operating nationally has position of exceptional opportunity open in Group Department in California — for man of aggressive personality who knows Group Sales and Service.

State age, family status, education and experience.

Address: Box K-57 National Underwriter,
175 W. Jackson Blvd., Chicago 4, Ill.

running to the rear of the present home office, and will be of reinforced concrete, with limestone exterior of modern classical design, matching the present building. It will contain 45,000 square feet.

An auditorium will be provided, with a recreation and sun-deck on the roof garden extending over the sixth floor of the older building.

President McEachern announced a retirement program for employees into which the company will put \$1,000,000 for future plans.

Prospectus Issued

A prospectus has been issued in connection with the sale of 100,000 shares of the newly organized Citizens National Life of Indianapolis. The shares are being offered at \$2 of which \$1 will be credited to capital and \$1 to net surplus.

John Wilkins, president of Citizens National, has been appointed director of sales and is to receive not in excess of 15% of the sales price per share as a selling commission and he will pay all costs and expenses.

Mr. Wilkins, according to the prospectus, has been engaged in selling life insurance and in forming and developing life insurance companies for 29 years. Vice-president is Carl H. Dahling, a re-

tired merchant of Brookston, Ind. Secretary is Paul J. Mills, who operates a general insurance agency at Kokomo.

Other directors are Paul V. Townsend, Recreation Manufacturing Co., Anderson; Therl Jackson, stock farm operator, Yorktown; Harold Matthew, Peterson Lumber Co., Anderson and Dr. W. E. Schoolfield of Orleans.

Southern National Moves

Southern National Life has moved its home office from Corpus Christi, Tex., to San Antonio and has bought a home office building there. The company has changed from a limited to a full capital company, now capitalized at \$100,000 with a surplus of more than \$65,000.

Celebrate Half Century

American Mutual Life celebrated the completion of its first half century with a banquet at Des Moines Feb. 27. Attending were the entire home office staff and 67 field men who are members of the 1947 production clubs.

An honored guest was J. A. Frech of Algona, Ia., only surviving member of the group that founded the original company at Bancroft, Ia., as the Brotherhood of American Yeoman. He is still the company's Kossuth county representative.

**a little mutual
trust will help
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"AS FAITHFUL AS OLD FAITHFUL"

**MUTUAL TRUST
LIFE INSURANCE COMPANY
CHICAGO**

THERE'S SUBSTANTIAL MONEY

To Be Made Even In a Small Town
Through Our General Agent's Contract

Attractive General Agency territory open in
Missouri, Iowa, Arkansas, Mississippi, Kentucky and Louisiana.

For further information write J. DeWitt Mills, Superintendent of Agents

MUTUAL SAVINGS

MISSOURI'S FIRST WHOLLY MUTUAL LEGAL RESERVE COMPANY
Life Insurance Company

812 Olive Street

Allen May, President

St. Louis 1, Mo.

LIFE SALES MEETINGS

Union Mutual, Me., Holds Annual Agency Sales Rally

The annual sales conference of agency managers of Union Mutual Life was held Feb. 17-20 at Poland Spring.

Discussions of merchandising plans for the company's 100th anniversary in 1948 and of expanding group and non-cancellable sickness and accident operations highlighted the meeting.

Speakers included President Rolland E. Irish; Harland L. Knight, agency vice-president; Clifton W. McNeill, second vice-president; Frank B. Maxim, agency secretary; Donald D. Lowmiller, group manager, and his assistant, Robert C. Russ; and L. R. Blanchard, sales promotion manager.

Governor Hildreth of Maine, Commissioner Perkins and the company's board were special guests at the banquet.

Bankers of Iowa Officers Address Lincoln Rally

LINCOLN, NEB.—A three-day school for 42 Nebraska agents of Bankers Life of Des Moines was held here, and a "victory" dinner in honor of the Lincoln agency, headed by W. A. Fraser, which captured the group II gains contest for the fourth time in succession. W. F. Winterble, agency vice-president, spoke, and also Ivan Childs, division supervisor, on "Programming and Career Underwriting," and Carl Hendrickson, on "Simple Programming."

D. N. Warters, executive vice-president, discussed the Guertin laws. The bill, passed by the last session of the legislature, goes in effect Jan. 1, 1948. George H. Harper, assistant superintendent of agencies, spoke on "Developing a Broader Vision."

Prizes were presented to agents doing outstanding work, those winning the first three prizes being Carl R. Hendrickson, Holdrege; Ivan F. Childs, Scottsbluff, and Edward H. Birkman, Lincoln.

Life Insurance Now Better Appreciated, Anderson Says

There has come a keener appreciation of life insurance by men in all walks of life, and life underwriting has achieved a much higher status than in years past and now cannot be stopped, Edward C. Anderson, superintendent of agencies of Connecticut Mutual Life, told the annual gathering at Peoria of his company's central Illinois agents. Mr. Anderson said almost everyone in the United States now is beginning to think of securing a retirement income.

He said there will be more competition for the public's dollar this year because of increased production, but insurance will have more ups than downs because of the increasing consciousness of wealth in income rather than in capital.

Chester T. Wardwell, general agent, presided.

State Farm Richmond Parley

Agents of the State Farm companies in Virginia, Maryland, Delaware and the District of Columbia held their annual convention at Richmond. H. E. Baumberger is regional director. More than 200 agents and their wives attended.

Awards for leading agents in automobile insurance, life insurance and fire insurance were presented.

Speakers at the banquet included A. W. Tompkins, agency vice-president; M. A. Hubbard, executive secretary of Virginia Farm Bureau Federation, and W. B. Billips, life supervisor at Washington, D. C.

Volunteer State's Agents Gather

About 200 agents of Volunteer State Life attended the annual convention held for three days in San Antonio, marking the company's 44th year. J. A. Witherpoon, vice-president, was chairman. J. Wiley King, San Antonio general agent, was host.

President Cecil Woods extended a welcome. Dr. John B. Steele, medical director, told ways in which agents can aid the home office in expediting issuance of business. He stressed need for information on the prospect who has lived but a short time in the city where the application is written; the need for former addresses, occupation, whether divorced, and why; as complete medical history as available.

Dr. Steele said substandard insurance is the easiest type to deliver.

Manager Talks on Prospecting

H. H. Stevens, manager at Bristol, Tenn., spoke on "Continuous Prospecting." He uses blotters, memo books and other advertising material in contacting people and becoming acquainted with prospects. While he believes in sales promotion effort such as direct mail, he said he quit using direct mail because replies came in too rapidly for him to follow up the leads. He tries to be seen in as many places as possible where he can create the correct public impression. He advised activity in civic clubs, an effort to meet newcomers. Other sources of leads, he finds, are the general insurance agents and friends in the loan business.

J. M. England, Dallas general agent, talked on "Salary Savings" as a source of sales. He cautioned against looking for large firms and stressed the value of small business and industrial plants.

New Agent on Program

The second day, Edward Chapin III, Chattanooga, spoke on "Selling Today." He is new in the business, but already sees a great future in it.

W. H. Stevenson, Columbia, S. C. manager, spoke on "Business Insurance." There are more business insurance prospects in every town than the agent realizes until he has made a list of them, Mr. Stevenson said. He warned against thinking only of the large firms and called attention to the partnership, close corporation, and sole proprietorship. The approach is easy because the agent talks to the prospect about his business, in which he is greatly interested.

Wisconsin National Agents Confer at Galesburg, Ill.

A regional meeting of Wisconsin National Life agents was held at Galesburg, Ill. G. A. L'Estrange, vice-president, spoke on the Illinois production record and extended greetings from other officials at the home office. A. L. Senderhauf, assistant agency director, took a leading part in discussions and outlined new plans of operations and new policies to be offered.

L. N. Ressler of Galesburg, Ill., field supervisor, was in charge and was presented a fountain pen.

Prizes were awarded to Jack Heald, Pekin, C. E. Schwalm, district manager, Galesburg; George Saunders, Springfield, Erell Lindsey, Green Valley, and Jack Risser, Galesburg.

Hold Schools in Hawaii

Lester S. Roscoe, director of field training of Occidental Life, and Walter F. Schmitz, supervisor of the accident and sickness department, flew to Hawaii to conduct a two-weeks series of schools and meetings at Security Insurance Agency, Ltd., Honolulu, one of

the company's ace production units. E. S. Jensen, Occidental group superintendent and assistant secretary, also made the trip.

Under the leadership of L. T. Kaga-wa, Security president, the office has become a leading life insurance agency in the Hawaiian Islands in the past 12 years. In 1946 it paid for nearly \$7 million of ordinary business. Harold I. Tateishi recently became the agency's first Million Dollar Round Table member, writing all of his business after 5 p.m., when he had finished with his regular duties as a director and cashier of the agency.

State Farm Group's Agents in Iowa Confer

DES MOINES—Greater care in selection of policyholders will be required in future, G. J. Mecherle, founder, told some 300 Iowa agents of the State Farm companies at a two-day convention.

Morris G. Fuller, vice-president, discussed new life insurance plans and told of publications now being prepared by the home office. L. S. Kelehan, Des Moines, state director, compared an insurance company to a building and said policyholders are the materials out of which the company is built.

Newell Day, Davenport general agent, Equitable Life of Iowa, discussed "Color in Selling" at the banquet.

Mass. Mutual Picks Atlantic City for June Sales Rally

Atlantic City will be the convention site of the Massachusetts Mutual Life leaders club and \$100,000 club, June 16-18, with headquarters at the Traymore Hotel. James M. Blake, manager of field service, is in charge of arrangements.

Am. United Conference

Eastern divisional agency managers of American United Life have completed a three-day conference at the home office on training the new man. Guest speakers were: Horace R. Smith, professor of insurance marketing, Purdue University; Alden C. Palmer, R. & R. Service, and William J. Schergens, associate general agent at Indianapolis for Aetna Life.

Douglas S. Felt, superintendent of agents for the eastern division, presided and was assisted by Agency Supervisor Carl A. Hess and a number of home office executives and department heads.

A dinner was given by President Geo. A. Bangs for all those who attended the conference, followed by an address on "Human Efficiency" by Dr. R. Foster Mills of New York.

Bankers Life 2-State Rally

A meeting of agents of Bankers Life of Iowa from Utah and Idaho was held at Salt Lake City with W. F. Winterble, agency vice-president, as principal speaker. Mr. Winterble said the Salt Lake agency, W. A. Crowder, manager, won the agency gain contest for the last quarter of 1946, also the agency gains contest for the entire company for the year 1946. He presented a plaque to Mr. Crowder.

Mass. Mutual Coast Parley

Pacific Coast general agents of Massachusetts Mutual Life attended a series of meetings at Santa Barbara, discussing agency building plans with officers of the company. The home office contingent included Lambert M. Huppeler, superintendent of agencies; Robert Ardisson, agency assistant, and Fred Googins, assistant manager of the group department.

Reliance Officials on Coast

J. N. Jamison, executive vice-president, and R. C. O'Connor, assistant director of agencies of Reliance Life, visited Los Angeles and conducted a conference meeting for field men in southern California.

FINANCIAL SIDE

Industry Borrows Sparingly; Awaits Tax, Labor Laws

NEW YORK—Corporations are holding off on borrowing money for plant expansion or for new ventures, life company investment officers say. Since the November elections it appears that borrowers have been waiting for legislation which would stabilize the labor market and improve the tax position of corporations before going ahead with plans which would take a great deal of financing. Life companies, consequently, are finding some difficulty in placing all the money they would like to in the corporate investment field.

No immediate change is looked for by life company investors in the sluggish demand for funds. If tax and labor legislation favorable to corporations should be enacted, it is thought that industry will again call for financing in a large way.

If this change occurs, a firming of interest rates is expected. Most refunding of corporate issues, whereby an old issue is called in and a new one floated at lower interest, has already taken place.

Another factor which may cause higher interest rates on corporate financing is the increased operating costs of financial institutions developing pressure on them to obtain greater yield. Since a higher yield on government securities is most unlikely, investors will have to seek it largely from corporations.

Pa. Housing Finance Bill Out of Senate Committee

HARRISBURG—Legislation to permit Pennsylvania life companies to invest in all types of housing, including residential, business, commercial and industrial, has been reported from committee in the state senate. Senate action is expected shortly.

The legislation permits the investment of 10% of the capital assets in all types of housing. Also, it includes a complete revision of the life insurance investment laws to place Pennsylvania companies on a parity with out-of-state firms.

Virtually every state organization interested in the betterment of housing conditions has indorsed the legislation, according to Senator George M. Wade, Ohio National general agent at Harrisburg and sponsor of the legislation, although opposition is expected from the Home Builders Assn. of Philadelphia. This group reportedly forced a restrictive amendment to similar legislation in 1945 which limited insurance company investment to housing projects for the rehabilitation of blighted areas, slum clearance. Under this proviso, not a single insurance company investment in housing has been made in Pennsylvania, it was stated.

Under the Wade legislation, insurance companies would be permitted to finance in Pennsylvania projects similar to the "little cities" opened in New York by Metropolitan. They also could finance large commercial apartments or whole developments, as well as large commercial business ventures.

A companion measure, co-sponsored by Wade and Senator Frazer P. Donlon, permits out-of-state companies to enter into agreements with Pennsylvania companies in the housing investment field.

Mich. Referendum April 7 on Realty Ownership Law

LANSING—The Michigan legislature completed action last week barely in time to place before the voters at the Apr. 7 election a proposed constitu-

tional amendment designed to attract life company investments in housing projects to this state.

In its final form, the resolution provides that, if the electorate assents, the constitution shall be changed to permit ownership of real property by corporations in cities of 5,000 or more population, or within a two-mile radius of them, for a period of not more than 30 years.

The present constitutional provision on the subject flatly limits corporate ownership of real estate, except for actual occupancy by the corporation, to a 10-year period. This condition, it has

been declared, has discouraged insurance company investments in long-term housing projects in Michigan, now acutely needed.

No opposition has been encountered relative to the proposal. There was brief disagreement, however, relative to whether the constitutional ban should be removed entirely, as provided in the original version of the resolution as adopted by the house. It was explained in the senate that the life companies usually liquidated their holdings of this character within a period between 25 and 30 years so it was felt that provision of a 30-year limit would

A New Idea In Life Insurance with a New Plan for Selling

Complete coverage in one package. Pays any kind of death except suicide first two years. Pays from first day for illness, accident. Includes surgical and hospitalization fees at a new low combined rate.

* * * * *

Tested plan of creating leads.

* * * * *

As little as three, one thousand complete coverage apps a week creates over a thousand dollars renewal the second year. In five to ten years you should build remarkable renewal income.

* * * * *

Training in field affords an alert man an enlarged opportunity. Experience in insurance, while helpful, not necessary. Correspondence confidential.

Hugh D. Hart
Vice President and Director of Agencies

ILLINOIS BANKERS LIFE ASSURANCE COMPANY
MONMOUTH, ILLINOIS

ACTUARY WANTED

Wanted young man with actuarial qualifications eventually to assume full and complete charge of actuarial department of a company making unusual progress in the development of life insurance. Volume in force well over \$50 million. Rare opportunity for man with ambition and initiative.

Companies home office located in Chicago. In reply please give full and complete qualifications as well as salary requirements.

Address K-73, The National Underwriter
175 W. Jackson Blvd. Chicago 4, Illinois

accommodate the investors sufficiently without removing all constitutional safeguards to non-resident ownership of property by corporate interests.

Report Out Investment Bill

DES MOINES—The life insurance investment bill was brought out by the house insurance committee and placed on the calendar. The measure, already approved by the senate, would permit Iowa life companies to invest in urban real estate and changes the requirements as to investments in railroad bonds.

Northwestern Mutual to Buy

ST. LOUIS—Northwestern Mutual Life will purchase \$6,500,000 Laclede Gas Light Co. of St. Louis 3½% bonds to be issued in connection with the latter's purchase of the St. Louis County

Gas Co. for \$11,250,000. The deal was approved recently by the Missouri Public Service Commission. The Laclede company also will issue \$6,500,000 of installment notes to be purchased by a group of eight banks, including five St. Louis financial institutions.

VA Gets Company Building

LINCOLN, NEB.—The Security Mutual Life building here will be turned over to the regional offices of veterans administration within 60 days. This was made possible when Veterans Building Corp. was formed by a group of public-spirited business men. The 11 floors of the building will be leased to VA for five years.

Thirty-day notices are being given to the 80 tenants. Security Mutual Life itself occupies the entire top floor and will also move. It plans a new building.

Middle western company has position with good future for young man with agency training experience who is capable of writing sales training course and producing sales material for agents. Reply in confidence to Box K-60, The National Underwriter, 175 W. Jackson Boulevard, Chicago 4, Illinois.

SECURITY is a simple matter!

With a Bankers Mutual Life contract, tailored to your measure. An Agent's and Policyholder's Company "where the Agent reigns supreme".

Bankers Mutual Life Co.
ESTABLISHED 1807
FREEPORT, ILLINOIS



ACCIDENT AND HEALTH

Follmann Heads NY A. & H. Advisory Bd.

NEW YORK—Joseph F. Follmann, Jr., manager of the Bureau of Personal Accident & Health Underwriters, was elected chairman of the advisory board on accident and health agency examinations at its first meeting here. John T. Henderson, general agent Travelers, and Francis T. Curran, Metropolitan Casualty, were elected vice-chairman and secretary respectively.

The board moved that the New York department consider in the future conducting 12 examinations each year rather than eight, which has been customary in the past. The dates for those examinations in 1947 are April 8, May 13, July 8, Aug. 12, Oct. 14 and Nov. 13.

In its consideration of the syllabus for examinations, the board moved that a subcommittee be appointed to review the present syllabus and to present recommended changes to be considered by the board and presented to the superintendent of insurance.

Those present at the meeting were Mr. Follmann, H. R. Gordon, Health & Accident Underwriters Conference; Francis T. Curran, Metropolitan Casualty; Earl R. Trangmar, Metropolitan Life; Arthur B. McGuire, National Casualty; John C. Greeno, Armstrong-Roth-Cady Co., Buffalo; A. Stewart Payne, Security Mutual Life; John F. Lydon, Ocean Accident; Peter E. Tumblety, Empire State Mutual Life; Sidney L. Eisenberg, Federal Life & Casualty; Harold J. Shackleton, Connecticut General Life; John T. Henderson, Travelers.

Superintendent Dineen was represented by Deputy Superintendent Carl Typermass.

One Wash. Fund Bill Killed; Another Appears in House

SEATTLE—The proposed state sickness and disability insurance measure was shelved by the social security committee of the Washington senate, but two days later a similar measure was tossed into the house hopper.

The A.F.L. labor lobby was unsuccessful in its attempt to tie the sickness and disability measure on to a bill, which permits merit rating of unemployment compensation risks. The latter bill passed the senate and was in the house social security committee.

The new measure eliminates entirely the employer's contribution to the fund, providing for a mandatory 1% payroll deduction of employees. The senate bill had provided for 1% tax on workers and ½% on employers, although the employer would have been permitted to absorb the entire tax.

A. & H. Programming Urged

LOS ANGELES—Frank L. Storment, New England Mutual Life, spoke before the Accident & Health Producers Assn. of Southern California on "Programming Accident and Sickness Insurance for Greater Production." He said maintenance of income is the main feature of living and that in talking to a prospect the program should be based on that idea. Any one can lose his earning power at any time, and this should be made a part of the sales program. He declared accident and health salesmen can do for their clients a better job of programming in life insurance and that the life insurance program should be restricted to provide an adequate accident and health program.

Haight to Speak in Newark

At the luncheon meeting of the Accident & Health Underwriters Assn. of Newark March 11, Charles J. Haight,

superintendent of accident and health claim division of Metropolitan Life, will talk on claim matters.

Illinois Blue Cross Merger

Hospital Service Corporation, Chicago Blue Cross plan, has taken over Central Illinois Hospital Service of Peoria which as of Dec. 31, 1945, had assets of \$203,471 and liabilities of \$126,660 and surplus of \$76,810. Soon the Chicago organization expects to take over Associated Hospitals at Danville and eventually will embrace Group Hospital Service of Illinois at Alton; Decatur Hospital Service, and Northern Illinois Hospital Service, Rockford, bringing all Hospital Service Plan Commission affiliates in the state under central control.

CHICAGO

PARKINSON TO SPEAK

Insurance Director Parkinson of Illinois will address the insurance membership group of Union League Club of Chicago Friday noon on insurance legislative questions of the hour.

NAME EDWARDS, JOHNSON

Announcement is made of the appointment of A. A. Korte, surety department manager of W. A. Alexander & Co., as chairman of the insurance section for the Chicago Red Cross drive. Wade Fetzer, Jr., president of W. A. Alexander, is general chairman of the entire Chicago campaign.

Mr. Korte has appointed R. S. Edwards, Aetna Life, as vice chairman for life insurance and Fred A. Johnson, Royal League, fraternals.

SELLS TRUST COMPANY

Trust Co. of Chicago has been sold by Illinois Bankers Life to a group headed by the president and vice-president of that organization. It has \$200,000 capital, \$25,000 surplus, \$120,640 of undivided profits.

AGENCY NEWS

Mersfelder Agency Gets Out 104-Page Brochure

A handsome job of agency prestige building has been done by the L. C. Mersfelder agency of Kansas City Life at Oklahoma City with its brochure, "Back-Logs of Human Destinies," which gives a 104-page picture of members of the agency and their accomplishments. Last year, the agency's production exceeded \$8 million. There are 44 full-time and 42 part-time men.

The agency was started in 1924. Mr. Mersfelder had started in the business part-time at Clovis, N. M., with Kansas City Life in 1912. He later became state supervisor and manager for New Mexico in 1918. He spent 14 years teaching in Texas and New Mexico. He was a member of the New Mexico senate.

Mr. Mersfelder is an outdoorsman and his summer camp is a social center for his men and their wives and a school is held there during the summer. Mr. Mersfelder is host each year at a dinner of deer and pheasant which he kills.

"We have endeavored to select for salesmen men who were sincere, ambitious and energetic," Mr. Mersfelder states in his message in the brochure. "We strive to have married men with families and men who own their homes—men who take an interest and pride in the church, school and civic affairs of their community—men who are worthwhile citizens of a permanent nature."

In order to be classified as a master salesman the agent must produce at

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least \$100,000 and have \$100,000 or more exposed for renewal on previous year's production. The first renewal percentage must be substantial. There were 17 master salesmen in 1945.

Editors of "Back-Logs" are Doris Catron, agency secretary, and Mrs. M. W. Williams, wife of an agent. The brochure contains pictures of agency members and their families and homes and other events of interest.

Creed's 30 Years Honored

PORTLAND, ORE.—Honoring the 30 years of service of E. Victor Creed with Sun Life of Canada, the Oregon branch of that company celebrated the long association with a dinner at the home of A. M. Weaver, manager. Mr. Creed led the Oregon branch in production in 1946, and was selected by the Life Insurance Managers Assn. of Oregon as the outstanding producer of Oregon for 1945. He is president of the Quarter Million Dollar Round Table.

McConney Visits Columbus

E. M. McConney, president of Bankers Life of Iowa, visited the Columbus, O., agency this week. This was his first official visit to the agency. Paul S. Rilett is Columbus manager.

The 1946 sales of the Jerome M. Barker agency of Home Life at St. Louis almost doubled the 1945 record. The agency was in 11th place nationally for the year and three of the agents were among Home Life's 50 leaders.

POLICIES

Iowa Life Publishes Its First Dividend Schedule

Iowa Life, which began business Jan. 25, 1945, and now has \$50,097,692 insurance in force, has adopted its first dividend schedule, applicable to the year beginning Jan. 25, 1947. Illustrative dividends per \$1,000 are:

Ordinary Life					
	Dividends	End of Year	2	5	10
Age	\$	\$	\$	\$	\$
0	1.92	1.94	2.00	2.10	2.21
5	1.94	1.94	2.06	2.19	2.28
10	1.99	2.03	2.16	2.28	2.40
15	2.08	2.18	2.30	2.41	2.61
20	2.18	2.27	2.38	2.62	2.94
25	2.25	2.37	2.61	2.95	3.42
30	2.36	2.54	2.91	3.46	3.94
35	2.66	2.90	3.49	4.02	4.66
40	3.30	3.66	4.25	4.93	5.69
45	4.36	4.72	5.47	6.35	6.95
50	5.80	6.32	7.32	8.00	8.43
55	7.93	8.64	9.42	9.91	10.20
60	10.81	11.34	11.91	12.24	13.27
65	14.05	14.54	14.93	16.14	17.38

20 Payment Life

	Dividends	End of Year	2	5	10
Age	\$	\$	\$	\$	\$
0	2.95	3.07	3.19	3.41	3.68
5	2.98	3.08	3.29	3.53	3.77
10	2.99	3.13	3.36	3.60	3.87
15	3.01	3.22	3.44	3.68	4.02
20	3.03	3.22	3.45	3.79	4.24
25	3.04	3.22	3.55	4.00	4.49
30	3.06	3.22	3.65	4.25	4.74
35	3.10	3.39	4.04	4.58	5.05
40	3.46	3.92	4.54	5.12	5.56
45	4.41	4.83	5.53	6.19	6.18

Endowment at Age 65

	Dividends	End of Year	2	5	10
Age	\$	\$	\$	\$	\$
0	1.78	1.82	1.89	2.01	2.17
5	1.82	1.86	1.99	2.15	2.29
10	1.88	1.96	2.12	2.25	2.42
15	1.97	2.06	2.20	2.36	2.62
20	2.06	2.14	2.31	2.58	2.94
25	2.14	2.20	2.49	2.89	3.42
30	2.20	2.37	2.80	3.36	3.92
35	2.49	2.71	3.34	3.89	4.39
40	3.02	3.40	4.04	4.60	4.87
45	3.95	4.43	5.12	5.53	4.99
50	5.30	6.06	6.57	6.01	...
55	8.13	8.52	7.79

Bernbaum Again Millionaire

For the fourth consecutive year, Sanford M. Bernbaum, Penn Mutual, Seattle, in 1946 qualified for the Million Dollar Round Table. He ranked sixth among the company's 1,321 full time agents.

Set Coast Actuarial Parley

The Actuarial Club of the Pacific will hold its next meeting in the Yosemite Valley on June 12-13. A. C. Olshen, actuary of West Coast Life, is chairman of the program committee.

AGENCY MANAGEMENT

Problem Today Is to Meet Needs of Present Time

Walter G. Gastil, manager of Connecticut General Life, spoke before the Life Insurance Managers Assn. of Los Angeles on "Opportunities in 1947 and My Plans for Making the Most of Them." He said he had established a prospecting method based on meeting the changes of the times. He declared that life insurance need not be concerned about business conditions, but should be concerned about the methods of meeting the present day needs.

He said 15% of the people, consisting of those in the upper brackets, own most of the property and buy 85% of the life insurance, and he is concerned about how to reach that bracket of prospects. He wants to identify that 15% of the public as his market. The average man of 30 should double his earnings and double the purchase of life insurance every five years. He is concerned with whether that man is going somewhere. He wants to classify him to be sure he will carry out that program.

Ray H. Finger, retired manager of Sun Life of Canada, and Perez Huff, retiring vice-president of Bankers National Life, resigned as members of the association, and were elected honorary life members.

President John W. Yates named a committee to study the possibilities of having a Purdue University type course established there.

Grand Rapids Group Elects

Karl Z. Howland, of Sun Life of Canada, has been elected president of the Grand Rapids General Agents & Managers Assn. He succeeds Ernest W. Nelson. Vice-president is James M. Keplar, Bankers Life, and secretary-treasurer, William H. Nicholls, Jr., Penn Mutual.

All-Day Round Table Session

The Buffalo Life Managers Assn. held a round table on "Agency Management Today." Allan W. Carpenter was general chairman of the all-day session.

Dean H. Taylor, association president, presided at the morning session which featured a discussion on "Re-cruiting and Selection" by Judd C. Benson, Union Central, Cincinnati. Mr. Carson

penter presided in the afternoon when Wilbur W. Hartshorn, superintendent of agencies of Metropolitan Life, discussed "Training New Men Today" and James Elton Bragg, Guardian Life, New York, discussed "Improving Production of Established Agents."

Question and answer periods followed each talk.

Selection Problems Theme of New Haven Meeting

"New Manpower Problems" was the theme for discussion at a dinner meeting of the New Haven General Agents & Managers Assn. Lewis W. S. Chapman, director of company relations of Life Insurance Agency Management Assn., was speaker and leader of an informal round table discussion focused at recruiting and selection problems of the postwar era.

The meeting was the first for the New Haven group since before the war. Plans for reorganization were discussed and a movement initiated to put the association on a permanent active basis. William Clancy, Metropolitan, is president and acted as chairman.

Putnam Speaks at Seattle

SEATTLE—Philip Putnam, manager of Travelers, talked on "What Are We Looking For?" Monday at a luncheon meeting of the Life Managers Assn.

Hobbs Speaks in Atlanta

After addressing the monthly meeting of the Atlanta Assn. of Life Underwriters, Philip B. Hobbs, N.A.L.U. president, made a short address at the General Agents & Managers Club banquet there.

Talks on Morale Building

G. K. Wallace, Union Central Life, spoke on "Morale Building" before the Wichita General Agents & Managers Assn.

Supervisors Hear Hammond

Wilmer M. Hammond, general agent of Aetna Life spoke before the Life Supervisors Assn. of Los Angeles on "Insurance Programming as it is Related to Specific Need or Purpose." He told his hearers to avoid indecision and

irresolution. He made the particular point that the agent must love his work if he would attain his goal and that if the life man didn't love the business he would be a traitor to it.

Onderdonk Feb. 28 Speaker

Robert R. Onderdonk, manager of Connecticut General at Cleveland, will address the Life Managers & General Agents Assn. of Columbus Feb. 28 on "Revitalizing the Old Agents."

Johnson in New Orleans

Holgar J. Johnson, president Institute of Life Insurance, addressed the Life Managers Assn. of New Orleans at a dinner given in his honor.

Hanselman Cincinnati Speaker

CINCINNATI—W. F. Hanselman, vice-president and superintendent of agencies of Union Central Life, addressed the Cincinnati Associated Life General Agents & Managers.

Talk on Insurable Interest

The San Antonio Trust Council heard W. F. Nowlin, attorney, discuss court decisions on insurable interest. He said the situation in Texas is out of line with established decisions in other states, which give a man the right to designate his own beneficiary, while in Texas this designation is restricted to those who may have an insurable interest in the life of the insured at the time of death.

The courts of Texas have announced as the basis of their decisions a policy which is based on the theory that no one shall be designated as beneficiary who may profit more by the death of the insured than in the continuing of the life of the insured.

Aetna Rally at Utica

A discussion of new sales plans featured the annual meeting of the L. H. House agency of the Aetna Life at Utica, N. Y. Speakers included N. M. DeNezzo, assistant superintendent of agencies, and R. K. MacFarlane of Boston.

Cooperative Section Repealed

A measure approved by the Nebraska senate was filed by Sen. C. Petrus Peterson, who is general counsel of Bankers Life of Nebraska. It repeals the section relating to cooperative non-profit life benefit associations.



Fear of forced retirement with only a Social Security Pension blights his happiness.

A modest additional pension in The MacCabbies would have removed the fear of dying too soon or living too long.

The MACCABEES
LEGAL RESERVE INSURANCE

5057 WOODWARD AVENUE DETROIT 2, MICHIGAN



LEGAL RESERVE FRATERNALS

W.O.W., Omaha, Exonerated in Mexican Litigation

OMAHA—A lawsuit of La Protectora, a Mexico City insurer, against Woodmen of the World Life for \$90,000 was thrown out of federal court here. La Protectora, which acquired the Mexican business of W. O. W. in 1933, charged that society did not maintain required legal reserves.

Federal Judge Donohoe held W. O. W. and its officers innocent of and without knowledge of frauds listed in the suit.

There was fraud, the judge ruled, on the part of Enrique V. Anaya, who had been the society's agent in Mexico City and had a part in transfer of the business. The judge's decision was that Anaya schemed to defraud W. O. W. and the Mexican government as well as policyholders; that he failed to file a correct report of the society's Mexican business as prepared by its home office in the United States.

Further fraudulent actions by Anaya and his associates, including a Mexican

government official, were set forth in Judge Donohoe's decision. He said losses due to Anaya's actions have been made good and the corporation is solvent.

Equitable Reserve's 50th Year Statement Shown

Assets of \$11,215,303 and insurance in force of \$38,571,353 are reported as of Dec. 31 in the 50th annual financial statement of Equitable Reserve, Neenah, Wis. Total membership is 50,963.

The society earned 4.05% net on its assets last year. Total income was \$1,555,283, including \$881,019 received from members and \$444,643 interest.

President N. J. Williams notes in the report that when he bought his first policy from Equitable Reserve early in 1905 assets were only \$203,706.

Legal reserve now is \$9,009,525, unassigned surplus \$1,240,976 and contingency reserve \$300,000. Equitable Reserve carries \$601,134 cash, has \$3,737,052 mortgage loans, \$688,808 policy loans.

FEMININE WISDOM IN 28 WORDS

Women are constantly being accused of being on the talkative side. Be that as it may—one woman, a member of Royal Neighbors of America, was brevity personified when she required only 28 words to express the following bit of wisdom:

"I value my membership in Royal Neighbors of America because of the lessons it teaches, the protection it offers, and the social benefits which are derived from it."

Yes, this sums up the service of Royal Neighbors of America. But the story of its neighborly principles, the suffering alleviated by its whole family life insurance and the fellowship of its 6,000 lodge rooms—a story that is almost 52 years old—would require volumes to tell.

ROYAL NEIGHBORS OF AMERICA

SUPREME OFFICE, ROCK ISLAND, ILL.

Claims Paid Since Organization \$50,893,078

SUPREME FOREST WOODMEN CIRCLE
Omaha, Nebraska

Death Takes President at 70

(CONTINUED FROM PAGE 1)

great deal about the business from those debates and gained an appreciation "of the fundamentals of life insurance and of its great and beneficial impact on our nation."

In 1910 Mr. Cleary ran for insurance commissioner on an anti-LaFollette ticket, which was defeated in the primaries. In 1914-15 he served for a few months as executive counsel to Gov. E. L. Philipp and then in the latter year was appointed insurance commissioner. With the National Convention of Insurance Commissioners he served on the executive committee and was chairman of the fraternal committee. He was elected vice-president and presided at the annual meeting in 1918 at Denver due to the retirement from the association of E. H. English of Iowa, who was the president.

He continued as commissioner until going with Northwestern Mutual in 1919.

When he took office as president in 1932, the assets were about \$996 million and insurance in force was \$3,998,518,061. At Dec. 31, 1946 the assets were \$1 billion \$960 million and insurance in force was \$4 billion \$965 million.

Mr. Cleary was a regent of University of Wisconsin and a member of the board of governors of Marquette University. He was a director of a number of companies, including Wisconsin Telephone Co. He was formerly a president of the Milwaukee County Community Chest and a director of Wisconsin Anti-Tuberculosis Assn.

Survivors are Mrs. Cleary, Catherine B. Cleary, who is with the Chicago law firm of Defrees, Fiske, O'Brien & Thomson, Mary Elizabeth Cleary, who is with Time magazine at Chicago and James Thomas Cleary, a student at University of Wisconsin.

CLEARY CALLED GREAT INSURANCE HUMANITARIAN

By C. M. CARTWRIGHT

Mr. Cleary was one of the greatest humanitarians we have had in the insurance business as a whole. He manifested human instincts of a high degree. He took a great interest in people and loved them. In going to Northwestern Mutual Life in 1919, he injected into it a cordial, warm, sympathetic sentiment that possessed him. He had been insurance commissioner of Wisconsin and to many people was known as "Mickey." That was indicative of his nature. Then to a great number of people he was "Mickey" all his life.

When he was elected president of Northwestern Mutual, I wrote to him and called him Mr. Cleary and President Cleary. He responded by saying that he appreciated the letter, but that I had spoiled it all by referring to him as "Mr." He said, "So far as you and I are concerned and as long as we live, I to you will be 'Mickey' Cleary and

you to me will be 'Charlie' Cartwright. Let's not disturb that old time relationship which I prize." That showed the real spirit of the man, and it was these little episodes during his career that revealed the depth of his nature and the amount of his sentiment.

As chairman of the insurance members group of Union League Club of Chicago, I had arranged with President Cleary for him to be the April speaker at a luncheon. I told him that I wanted him to dwell entirely on the human side of insurance. He felt that he needed to emphasize more that factor of insurance. He said that we dwelt too much on the financial side and did not bring out the greatness of insurance on the human side. He dwelt very often on what insurance was doing for people in this great industrial age. He would refer to the early days of rural life when people assisted each other in time of trouble.

Now he said it is entirely different. Every person is on his own foundation. Insurance comes in to give him assistance in time of any great difficulty. Therefore, he can go ahead with fortitude and determination in pursuing his career and know that devastation of any kind will not force him to earth. He had many incidents of a common nature that showed just how insurance entered into a man's life and how it helped him to pursue his career.

Remembered People's Names

President Cleary had a faculty for remembering people's names and especially their first names. It was no difficulty for him at an agency convention to call most of the people by their first names. To show what sentiment pervaded his nature he had a real understanding of the elevator men, the scrub women, and the workmen in his home office. He would remember their first names. He did not treat them as a superior, but as a friend. Therefore, he left in the minds of people, who might be said to walk in the more common ways of life, an affection for him. He desired this human sentiment to pervade the entire organization. In his relationships with his associates, he never assumed a dictatorial, commanding attitude. He believed in drinking the milk of human kindness.

Mr. Cleary believed in delegating responsibility to men up and down the line allowing them to reach their decisions and operate their departments without any great instruction from the head office. In this way he developed strong men. He was deeply concerned with every branch of the company. While he did not enter into the details of departments, he knew in a broad way what was going on. He built a strong home office executive personnel and he gave everyone his full confidence. He brought into the organization and

(CONTINUED ON PAGE 27)

FULL SPEED AHEAD IN 1947

Many Woodmen field men who enrolled more members and wrote more life insurance protection in 1946 than ever before, give much credit to the society's "Fraternity in Action" program for their success. They are prepared to go full speed ahead in 1947 to achieve an even better record.

WOODMEN OF THE WORLD

Life Insurance Society
OMAHA, NEBR.

secured Edmund Fitzgerald, now vice-president who had been in the banking and financial field. He proved to be the man that President Cleary desired and he relied on him in many ways. He called in Grant L. Hill from one of the New York agencies to come to the home office and he is now director of agencies.

He placed much confidence in research work that was done by the investment department, a section of which had charge of railroad bonds and other public utilities and another municipal. He studied their findings. He relied on their judgment. He believed in farm loans on good property.

Some people may have gotten the idea that because Mr. Cleary was known to his intimate friends as "Mickey" he was easy going. He could be very positive. When he reached the conclusion that he felt was right and reasonable, he would by it. He took a very emphatic stand against Northwestern Mutual writing total and permanent disability insurance some years ago when almost all companies had granted that feature to their policies. There was tremendous pressure from the field to force Northwestern to add the clause to its policies because competition was intense. President Cleary, however, stood firmly against any such step and he won.

The question might be asked, what was President Cleary's chief aim in developing a policy for Northwestern. Undoubtedly, he had in mind all the time to make Northwestern Mutual a strong, friendly, cordial, service giving company to policyholders. He wanted the right sort of service rendered. He was not in favor of any half way scheme. He urged agents to do their utmost to impress them with the sincerity of Northwestern Mutual's mission and intentions.

Always Fair and Reasonable

President Cleary had the happy faculty of opposing any project that he felt was unwise or insecure. But he did this in a way that left no bitterness in the mind of those who advocated the measure. He was never offensive. He always showed that he tried to be eminently fair and reasonable. He would much rather approve a suggestion if he could than deny it. If he had to deny it, he wanted the author of it to be satisfied that every side had been considered.

When he was an attorney at his old home at Blanchardville and conducted a local agency, he was always interested in the fire insurance field men that visited him. He tried to learn as much as possible from them. To show his sentiment in this regard, I am reminded of his long friendship for Montgomery Clark, who was state agent of Hanover Fire. Later he was called to Chicago as assistant manager of the western department, but in that connection he was really at the head because the president, C. W. Higley, while he held the title of western manager, spent most of his time in New York City.

Mr. Cleary never visited Chicago, but that he got in contact with "Monty" Clark as he was known. He called him up, went to his office, and had him to lunch. Later Mr. Clark was elected vice-president at the head office and later president.

He died while he was head of the company. His body was brought to Chicago for interment. Many of his old time friends went to Rosehill Cemetery for the interment service. There stood "Mickey" Cleary at the grave side. He had come down from Milwaukee to go as far as he could with "Monty" Clark on his last journey. His motive was not duty nor did he think that he wanted anyone to feel that he believed it was the correct thing to do. He was there because of his great love and admiration for "Monty."

President Cleary was always approachable. He did not believe in the door being closed and keeping himself away from those that desired to see him. He endeavored to see everyone

that called if it were possible. He listened attentively to callers. He did as many favors for people as he could. He did not want Northwestern Mutual to be hedged about with barriers, fences, or obstructions. He wanted people to believe in the company, to appreciate life insurance they had in it and he wished them to know that he was interested in what they were trying to do with its insurance.

Rule Drowning Exceeds Limits of Travel Policy

In Carpenter vs. Life & Casualty, Georgia court of appeals affirmed judgment of the trial court that the insurance company was not liable for the drowning of an assured after an alleged automobile mishap, because the manner of death exceeded the limitation of liability of the accident policy carried. This policy, titled "Industrial Travel and Pedestrian Policy" limited liability to cases where bodily injury or death results from an accident through collision of an automobile in which insured was driving or riding. There is further stipulation that there must be some external or visual injury to the automobile.

The court of appeals held that the allegation of the plaintiff, the insured's wife, failed to show there was any external or visible injury either to the automobile or the body of the insured. The man's car had left the road and gone part way down the bank of a canal. While the automobile stood in this inclined position, the insured got out of the car, slipped into the water and drowned. The court stated that the conditions of the policy had to be literally construed and could not be stricken out and ignored, and said that the burden of proof was upon the plaintiff to prove that the death was covered.

Tenn. Bills Advanced

NASHVILLE — Commissioner McCormick's fair trade practices bill, along with about 10 other insurance measures, sponsored by the administration, have been passed on third reading by the senate without opposition and will pass the house this week. The former measure, according to Mr. McCormick, is about 90% in accord with the model measure and it is satisfactory to industry representatives. Another measure would require foreign insurers to name the insurance commissioner instead of the secretary of state as attorney for service of process.

There is a bill to broaden the investment base for companies and another to prohibit the use of a war clause in industrial policies that would deny recovery for deaths not directly connected with military service in wartime; it would also require insurers to cover death in regularly scheduled air line flights.

Torsney Heads Veterans

NEW YORK — Philip J. Torsney, manager at Bloomfield, N. J., has been elected president of Metropolitan Life's Veterans' Assn., composed of 7,000 active and retired field men with at least 20 years of service.

Mr. Torsney has been with Metropolitan 30 years. He was formerly manager at Baltimore, Elizabeth and Perth Amboy.

Mr. Torsney was feted by his associates at a dinner at Montclair on his 30th anniversary.

Mr. Torsney's service medal was presented by J. Edward Lawrence, senior supervisor of the field management division. He was presented with golf equipment by the staff.

Robert A. Aubry, manager at Hackensack, was toastmaster.

Security Mutual Promotions

John C. Clark, Binghamton advertising and radio executive, has been elected a director of Security Mutual Life, and H. Albert Manwaring has been named as counsel and Richard A. Keiser as auditor and assistant secretary.

Mr. Clark is president of an advertising agency that owns WNBF, Binghamton radio station, and he is president of Hialeah Race Course, Inc., Florida.

Mr. Manwaring graduated at University of Michigan law school in 1931 and has been with Security as attorney since 1934. He succeeds Jay L. Gregory, who retired after 44 years of service.

Mr. Keiser, a Duke alumnus, has been with the company since 1936, for the past seven years as assistant auditor. He succeeds Howard L. Harris who has retired.

ing selling method of his company, dissecting the skeleton of ideas on which it is built and then putting it together with all the muscles to demonstrate how a carefully organized selling talk moves. It is a programming plan based on what social security does for a man and what it cannot do because of its inflexibility. The method is worked out so that the salesman may inject his own personality and individuality.

Pass N. Y. A. & H. Bill

The New York legislature has passed and sent to Gov. Dewey the department bill authorizing the superintendent to withdraw approval or disapprove A. & H. policies that provide benefits that are unreasonable in relation to premiums charged or that encourage misrepresentations. The superintendent already has this power with respect to policies that are inadequate, unjust, deceptive, or contrary to the public interest.

Explains Chart for Living

The February meeting of the Key stone group Life Advertisers Assn. was held at the Provident Mutual home office with Provident acting as host at luncheon. Jack Flanagan, Fidelity Mutual, the newly elected chairman, was chairman of the meeting and the speaker was Nelson White, Provident.

Mr. White analyzed the chart for liv-

MICHIGAN State Supervisory* Position

For Qualified Man Ready For Advancement
In One Of These Cities:

Lansing
Grand Rapids
Kalamazoo

Some of the Benefits

We Have to Offer
a
State Supervisor

- Modern induction procedure
- Systematized sales training program
- Adult and Juvenile Policies from birth with fracture and double indemnity benefits from age 5; Hospital and disability riders; Substandard
- National, award winning sales aids
- Over \$4,000,000 of business now on the books in this area
- Highly lucrative compensation plan
- Recognition for work well done

Replies held in strict confidence. Write to Sales Manager.

FIDELITY LIFE ASSOCIATION

Fulton, Illinois

51st Year Distinguished Life Insurance Service

*This position comparable to General Agency with even broader opportunities.

THE PRAETORIANS

Adult and Juvenile Policies on the Easy Monthly Payment Plan, giving one the opportunity to budget his Life Insurance protection along with his other monthly bills.

LEGAL RESERVE FRATERNAL INSTITUTION

Organized in 1898

Forty-Seven Years of Insurance and Fraternal Service
Home Office—Praetorian Building—Dallas, Texas

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Established in 1865 by David Parkes Fackler
FACKLER & COMPANY
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Consulting Actuaries
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Wolfe, Corcoran and Linder
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PENNSYLVANIA

FRANK M. SPEAKMAN
 CONSULTING ACTUARY
 Associate
 E. P. Higgins
 THE BOURSE PHILADELPHIA

Company Statement Features Presented

(CONTINUED FROM PAGE 2)

crease of 45.1% and insurance in force was \$44,750,404, a gain of \$4,035,962. This was the largest increase during the last 35 years. Benefit payments totaled \$766,992.

SECURITY MUTUAL, NEW YORK

New business of Security Mutual of Binghamton exceeded \$33 million in 1946 to bring insurance in force to over \$170 million.

The gain of insurance in force was over 83% of the amount paid for in 1946 and the new business represented an increase of approximately 58% over that of 1945. Average ordinary policy was for \$5,107. Regular A. & H. premium income was up over 40%.

January production was 28% ahead of the best previous January.

Assets increased by \$4 million to nearly \$43 million and surplus reached \$2,237,218. Net return on investment was 3.15% compared with 3.33% in 1945.

The mortality rate was among the lowest ever experienced. Terminations were 3.5% of the amount in force at the beginning of the year.

UNION NATIONAL LIFE

Union National Life of Lincoln in its new statement shows assets \$4,667,260 and surplus to policyholders \$325,021. Insurance in force is \$57,801,000, an increase of better than \$22½ million.

UNION MUTUAL LIFE

Union Mutual Life at Dec. 31 reports assets of \$40,929,486 and insurance in force \$154,515,493.

New business was 65% greater than 1945, which was the previous record high, and amounted to \$28,766,071. Benefit payments were \$3,213,868.

Non-canc. A. & H. premiums more than tripled the figure for 1945 when the line was introduced. Group sales during the first year in that field were substantial.

WEST COAST LIFE

West Coast Life insurance in force increased \$15,983,455 in 1946, to a total of \$170,036,890.

Assets increased \$2,021,407 to \$38,120,021. Net surplus was increased by \$250,000 to \$1,250,000 and unassigned contingency reserve by \$54,935 to \$146,389. Capital is \$500,000.

Net yield on mean invested assets increased from 3.04% to 3.24.

Smith New Cleveland Head

Warren H. Smith, general agent of Northwestern National Life, has been elected president of the Cleveland Life Underwriters & Trust Officers Club. H. L. Flynn, Cleveland Trust Co., is vice-president; D. M. Phipps, New England Mutual, secretary; A. C. Knight, Central National Bank, treasurer. New members of the executive committee are Bruce Whidden, Central National Bank, and Ralph B. Hunter, Equitable Society.

No Successor to Moore

For the time being, no successor will be named to Thomas T. Moore as chief examiner of the Virginia department. Mr. Moore resigned recently to go with the Shenandoah Life as comptroller. Commissioner Bowles thinks his present staff will be able to absorb the duties formerly performed by Mr. Moore by doubling up the work.

Plumley to Visit Coast

H. Ladd Plumley, vice-president and secretary of the group department of State Mutual Life, will visit Los Angeles the week of March 3, and will conduct a series of meetings for agents and brokers.



"I'M A NERVOUS WRECK FROM WATCHING MY STOCKS BOB UP AND DOWN AND WONDERING HOW LONG MY REAL ESTATE WILL STAY UP. MY DOCTOR ADVISED ME TO INVEST IN INSURANCE AND BE AT EASE."

Poll Associations on 50-50 Amendment

Home Office Seminars Are Found Productive

BOSTON—Since New England Mutual's home office training seminars were inaugurated two years ago, 13 courses for field men, including supervisors and general agents, have been completed with outstanding results. Average annual production of returned veterans who attended one of the five refresher courses is \$252,180, and graduates of the four new agents' courses have averaged \$196,236.

Membership in New England Mutual's 1947 honorary production clubs includes 113 training-course graduates, and last year these men were monthly agency leaders 116 times. During this two-year period 249 agents representing 61 general agencies have participated in the nine-day courses. The next seminar for new agents will start May 19. Homer C. Chaney, director of agencies, is in charge of this activity.

Bankers of Neb., Now in Cal.

Bankers Life of Neb. has been licensed in California, with M. V. Lonergan, 315 Montgomery street, San Francisco, as general agent.

National Reserve Life, Topeka, has sold its 10-story modern home office building there to Los Angeles interests, reportedly to complete a real estate liquidation program.

\$250 to \$500 single

1000 Rooms — 1000 Baths



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Here at the Prince George guests enjoy the homey luxury and genuine comforts seldom found in other New York hotels. 1,000 spacious, tastefully furnished rooms, all with bath. Five famous restaurants and a cafeteria. Quiet, yet within 3 minutes of the shopping district. Low rates make the Prince George New York's most outstanding hotel value. Write for booklet NUL.

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Charles F. Rogers, Jr. — Manager

"Thought I'd never make it..."

Guess I went off the deep end last summer when Dad died . . . thinking I'd have to give up school and hunt a job. I remember the salesman calling one night several years ago with some sort of insurance plan — and how pleased Dad was — but I never realized he'd bought a special policy just to see me through school. It's like Dad to take care of things — even when he isn't here himself."

The insurance business offers rewards that go beyond money . . . among them, the satisfaction of seeing a young man get the right start in life, of knowing that your work and advice helped make his education possible. Remember, too — that a boy so impressed with the results of life insurance at work may someday become an excellent customer of his father's trusted insurance advisor.



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The house that only you can see

NEXT to each other, probably the thing you want most of all is a home of your own . . .

Perhaps it's the dream you've kept in a trunk all these years—the old Clayton place that needs so much done to it, but—

Or maybe it's that Victorian mansion on Elm Street, where you once tossed newspapers in the pearl-gray of morning—

Or perhaps it's a blueprint—of a cottage, say, snuggled down into a hill. A Cape Cod house, neat and white. A modern flat-top, on a scallop of ocean. A friendly-faced Colonial.

Blueprint or empty lot it's the house that only you can see—it's *home*—to own, and to *hold*, for as long as you live. If you want to make sure of it, its warmth and security and shelter, then life

insurance must be as much a part of your plans as the blueprints you give to the builder.

Because life insurance is one of the strongest home-holding forces in America today, the policy that cancels-out the mortgage if you should die is only part of the picture. A well planned life insurance program means a continuing income for your wife and family—an income that keeps a home, *a home . . . and not a memory*.

Through its new Planned Incomes service Northwestern Mutual agents protect home-owners by removing the threat of insecurity, making sure mortgages are paid, that incomes continue, that family plans go on whether days are fair or stormy.

THE DIFFERENCE—

There's a significant difference between life insur-

ance companies. Ask a Northwestern Mutual agent what that difference can mean to you. Ask a policy-owner why no other company excels Northwestern Mutual in that happiest of all business relationships—old customers coming back for more.

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